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U.S. National Defense Advisory Commission
Title:
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Place:
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MUNITIONS INDUSTRY

MINUTES

OF THE

ADVISORY COMMISSION OF THE COUNCIL OF NATIONAL DEFENSE

AND

MINUTES

OF THE

MUNITIONS STANDARDS BOARD

Printed for the use of the
Special Committee Investigating the Munitions Industry

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1936

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SPECIAL COMMITTEE INVESTIGATING THE MUNITIONS INDUSTRY

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STEPHEN RAUSHENBUSH, *Secretary*

CONTENTS

PART I. MINUTES OF THE ADVISORY COMMISSION OF THE COUNCIL OF NATIONAL DEFENSE

	Original Page	Printed Page
Resolution, Public, No. 242, Sixty-fourth Congress	*1*	1
Meeting:		
December 6, 1916	*2a*	2
Rules and regulations	*2b*	2
Action proposed by the Advisory Commission	*2c*	3
Purposes of the Council and Commission	*2e*	3
Members of Council	*3*	4
Members of Advisory Commission	*3*	4
December 6, 1916	*4*	4
December 7, 1916	*5*	5
Rules and regulations of Advisory Commission	*5*	5
Proposals of action	*6*	5
December 7, 1916	*10*	7
January 8, 1917	*11, 15*	7, 9
February 12, 1917	*20*	12
February 14, 1917	*24*	14
Rules and regulations of Council of National Defense:		
Preamble	*25*	14
1. Officers	*25*	14
2. Election of officers	*26*	15
3. Duties of officers	*26*	15
4. Meetings	*28*	15
5. Procedure and order of business	*29*	16
6. Amendments	*30*	16
February 15, 1917	*32*	17
February 16, 1917	*39*	20
February 24, 1917	*44*	22
March 3, 1917	*50, 53*	25, 26
March 23, 1917	*58*	29
March 24, 1917	*81*	41
March 30, 1917	*84*	43
April 2, 1917	*91*	46
April 3, 1917	*93*	47
April 4, 1917	*94*	48
April 6, 1917	*97*	49
April 12, 1917	*102*	52
April 17, 1917	*105, 108*	53, 55
April 23, 1917	*110*	55
April 26, 1917	*117*	59
April 27, 1917	*125*	62
May 1, 1917	*129*	64
May 4, 1917	*132*	66
May 21, 1917	*135*	67
June 1, 1917	*139*	69
June 13, 1917	*145*	72
June 14, 1917	*146*	73
July 8, 1917	*149*	74
July 9, 1917	*153*	76
July 12, 1917	*155*	77
July 17, 1917	*157*	78

Meeting—Continued	Original Page	Printed Page
July 18, 1917	*161*	79
August 1, 1917	*165*	82
August 6, 1917	*170*	84
September 6, 1917	*174*	86
September 18, 1917	*177*	88
October 1, 1917	*179*	88
October 3, 1917	*183*	91
October 4, 1917	*184*	91
October 5, 1917	*184*	91
October 6, 1917	*185*	92
November 5, 1917	*188*	93
December 3, 1917	*192*	95
January 6, 1918	*196*	97
January 7, 1918	*198*	98
February 4, 1918	*201*	99
February 5, 1918	*205*	101
March 4, 1918	*207*	102
April 1, 1918	*209*	102
April 25, 1918	*211*	106
May 2, 1918	*212*	106
May 6, 1918	*214*	108
June 3, 1918	*216*	109
July 1, 1918	*219*	110
August 5, 1918	*221*	111

PART II. MINUTES OF THE MUNITIONS STANDARDS BOARD

General Munitions Board Resolution passed Mar. 3, 1917		118
Meeting, Mar. 21, 1917	*1*	119
Conference of the manufacturers of detonating fuses of the Russian type 3 G. T	*54*	149
Munitions Standards Board Resolution adopted Feb. 28, 1917	*57*	150
Informal conference with Mr. Frank A. Scott, chairman, Munitions Standards Board, Council of National Defense	*61*	151

PART I

Minutes of the Advisory Commission, Council of National Defense

LETTER OF CERTIFICATION

UNITED STATES OF AMERICA,
WAR DEPARTMENT,
Washington, May 8, 1935.

I HEREBY CERTIFY that the attached papers are true copies of records of the War Department as contained in the files of the War Industries Board, on file in the office of The Assistant Secretary of War, Washington, D. C.

HARRY B. JORDAN,
Colonel, Ordnance Department,
Custodian of Records, War Industries Board.

I HEREBY CERTIFY that Colonel Harry B. Jordan, who signed the foregoing certificate, is the Custodian of Records of the War Industries Board, and that to his certification as such full faith and credit are and ought to be given.

IN TESTIMONY WHEREOF I, George H. Dern, Secretary of War, have hereunto caused the seal of the War Department to be affixed and my name to be subscribed by the Assistant Chief Clerk of the said Department, at the City of Washington, this Eighth day of May 1935.

[SEAL]

GEO. H. DERN, *Secretary of War.*
By F. M. HOADLEY, *Assistant Chief Clerk.*

EXPLANATORY NOTE

Part I of this volume was printed from certified copies of the original Advisory Commission of the Council of National Defense minutes which were supplied to the Committee by the War Department. All typographical and gramatical errors, breaks in continuity of the text, and mistakes and ommissions are printed exactly as they occurred in the copies. The Committee finds that it is beyond its province to incorporate the necessary corrections.

MINUTES OF ADVISORY COMMISSION OF THE COUNCIL OF NATIONAL DEFENSE

1 COUNCIL OF NATIONAL DEFENSE AND ADVISORY COMMISSION

ESTABLISHED BY THE ACT OF CONGRESS APPROVED AUGUST 29, 1916, ENTITLED "AN ACT MAKING APPROPRIATIONS FOR THE SUPPORT OF THE ARMY FOR THE FISCAL YEAR ENDING JUNE THIRTIETH, NINETEEN HUNDRED AND SEVENTEEN, AND FOR OTHER PURPOSES"

PUBLIC, NO. 242, 64TH CONGRESS

(H. R. 17498)

SEC. 2. That a Council of National Defense is hereby established for the coordination of industries, and resources for the national security and welfare, to consist of the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor.

That the Council of National Defense shall nominate to the President, and the President shall appoint, an advisory commission, consisting of not more than seven persons, each of whom shall have special knowledge of some industry, public utility, or the development of some natural resource, or be otherwise specially qualified, in the opinion of the council, for the performance of the duties hereinafter provided. The members of the advisory commission shall serve without compensation but shall be allowed actual expenses of travel and subsistence when attending meetings of the commission or engaged in investigations pertaining to its activities. The advisory commission shall hold such meetings as shall be called by the council or be provided by the rules and regulations adopted by the council for the conduct of its work.

That it shall be the duty of the Council of National Defense to supervise and direct investigations and make recommendations to the President and the heads of executive departments as to the location of railroads with reference to the frontier of the United States, so as to render possible expeditious concentration of troops and supplies to points of defense; the coordination of military, industrial, and commercial purposes in the location of extensive highways and branch lines of railroad; the utilization of waterways; the mobilization of military and naval resources for defense; the increase of domestic production of articles and materials essential to the support of armies and of the people during the interruption of foreign commerce; the development of seagoing transportation; data as to amounts,
location, method and means of production, and availability of military
2 supplies; the giving of information to producers and manufacturers
as to the class of supplies needed by the military and other services of the Government, the requirements relating thereto, and the creation of relations which will render possible in time of need the immediate concentration and utilization of the resources of the Nation.

That the Council of National Defense shall adopt rules and regulations for the conduct of its work, which rules and regulations shall be subject to the approval of the President and shall provide for the work of the advisory commission, to the end that the special knowledge of such commission may be developed by suitable investigation, research, and inquiry and made available in conference and report for the use of the council; and the council may organize subordinate bodies for its assistance in special investigations, either

by the employment of experts, or by the creation of committees of specially qualified persons, to serve without compensation, but to direct the investigations of experts so employed.

That the sum of $200,000, or so much thereof as may be necessary, is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be immediately available for experimental work and investigations undertaken by the council, by the advisory commission, or subordinate bodies, for the employment of a director, expert, and clerical expenses and supplies, and for the necessary expenses of members of the advisory commission or subordinate bodies going to and attending meetings of the commission or subordinate bodies. Reports shall be submitted by all subordinate bodies and by the advisory commission to the council, and from time to time the council shall report to the President or to the heads of executive departments upon special inquiries or subjects appropriate thereto, and an annual report to the Congress shall be submitted through the President, including as full a statement of the activities of the council and the agencies subordinate to it as is consistent with the public interest, including an itemized account of the expenditures made by the council or authorized by it, in as full detail as the public interest will permit: *Provided, however,* That when deemed proper the President may authorize, in amounts stipulated by him, unvouchered expenditures and report the gross sums so authorized not itemized.

2a Minutes of the Meeting of the Advisory Commission of the Council of National Defense on December 6th, 1916, at the Office of Secretary of War

The Advisory Commission of the Council of National Defense met and proceeded to elect Dr. Hollis Godfrey as Chairman and Mr. Bernard M. Baruch as temporary Secretary. A permanent Secretary of the Commission is to be selected later.

After mature consideration, it is decided to submit to the Council the proposal of rules and regulations and the proposal of action appended to this sheet.

The question of dividing the Commission into subcommittees was discussed and deferred for future action.

The question of the selection of a Director, as provided by law, and assistants was deferred for future consideration and action.

The Chairman of the Advisory Commission was requested to communicate with the members of the Commission as often as circumstances may require.

The Chairman and Commissioner Coffin were authorized to submit to the Commission the names of a Director and Secretary, respectively, temporary or otherwise, same to be subject, before submission to the Council, to confirmation by the majority of the Commission in session or by communication.

The ——— ——— authorized to submit to the Council a plan for immediately carrying into effect the proposals of action submitted

2b RULES AND REGULATIONS

Officers.—The officers of the Advisory Commission of the Council of National Defense shall consist of a Chairman, who is to be a member of the Commission, and of a Secretary, who may or may not be a member of the commission.

Duties of Officers.—The duties of the officers shall be those usually assigned to those holding such positions.

Meetings.—The Advisory Commission of the Council of National Defense shall meet not less than once each month at Washington, D. C., or at such other place as the majority of the Commission may determine. A regular or special meeting shall be official when a majority of the Advisory Commission are in attendance. Whenever the Chairman of the Advisory Commission shall deem it necessary to call a special meeting, he shall communicate with the

members of the Commission and ascertain the most convenient time and place for the majority of the Commission to attend.

Meeting Place.—The meeting place for the Advisory Commission shall be in an office of the Secretary of War until such time as a permanent place of meeting for the Commission shall be provided. The Chairman of the Advisory Commission is authorized to confer with the Council with the view to obtaining or hiring convenient offices for meetings of the Commission and for the transaction of the business of the Commission.

2c ACTION PROPOSED BY THE ADVISORY COMMISSION OF THE COUNCIL TO THE COUNCIL OF NATIONAL DEFENSE

The purpose of the Council, in the language of the Bill, is "to coordinate the industries and resources of the United States for the national security and welfare."

To carry out this purpose the following proposals are laid before the Council by the Commission:

"To begin immediately a study to determine the most effective flexible organization and mechanism for the securing of all necessary information and for the clarifying, recording, and classifying of such information when secured.

"To begin immediately a study as to what media now exist which can aid in the carrying out of the purposes of the Council, this study to be made in three divisions, governmental media in the departments, governmental media outside the departments, and civil media. As this study progresses it is believed that the Council can aid materially in the development of such media and can from time to time define (i. e., delimit and delineate) spheres of activity in which existing organizations may operate intensively without duplication.

"To begin immediately the organization of a group of industrial leaders along the lines proposed by Mr. Baruch of the Commission.

"To begin immediately a study of the coordination of transportation.

"To continue the work done by the groups working under the general direction and assistance of three members of the Commission, Mr. Coffin, Dr. Martin, and Dr. Godfrey.

"To assist in the development of the 'Personnel Index' already
2d begun, a part of which will be the organization of the leading men of pure and applied science of the country.

"To assist in the advancement of the physical well-being of the people of the nation.

"To set a fixed date (a date three months after the beginning of action is suggested) on which an inspection may be made of the work accomplished to that date. This inspection to be made through the submitting to the Commission of an actual problem by the Departments of War and Navy, with the intent to determine at that time what needed information is or is not available.

"To form a temporary organization to put the above proposals, or any part of them, or additional proposals into effect at the earliest possible date, with the intention of changing from a temporary organization to a permanent organization as the progress of the work makes this possible."

2e PURPOSES OF THE COUNCIL AND COMMISSION

1. "To coordinate (in the language of the bill) the industries and resources of the United States for the national security and welfare."
2. To perfect an organization for securing all necessary information, and to clarify, record, and classify such information.
3. To develop existing media and to define (i. e. delimit and delineate) spheres of activity in which existing organizations may operate intensively without duplication.
4. To organize new committees or agencies only after a complete survey reveals the necessities for such organizations.
5. To develop a national sense of the vital importance of the work and purposes of the Council and Commission, through proper public announcements in magazines, newspapers, trade journals, and the like.
6. To develop the work and accomplishments of the Council and Commission to such a point that reports to Congress will bring about full understanding and support.

7. To develop to the highest degree possible the honor of National Service.
8. To aid in the advancement of the physical well-being of the people of the nation.
2f 9. Recognizing such difficulties and obstacles as megalomania and the desire for recognition, inertia, unwillingness to cooperate, distrust of competitors, red tape, active opposition of enemies, ignorance, jealousy, weariness with government commissions, distrust of governmental bureaucratic agencies, to reduce such difficulties and to remove such obstacles as much as possible by national education to a realization of the necessity for the work of the Council and Commission and of the necessity for patriotic service on the part of every qualified individual.
10. To emphasize the effects of the favorable factors and influences, such as patriotism, awakened national interest and concern, desire for stability of government, concern for business interests, and concern for the safeguards of personal liberty and possessions, by a propaganda for the development of a sense of national confidence and national unity, as well as by the appeal to enlightened selfishness.

3 MEMBERS OF THE COUNCIL

The Secretary of War, Hon. Newton D. Baker (Chairman).
The Secretary of the Navy, Hon. Josephus Daniels.
The Secretary of the Interior, Hon. Franklin K. Lane.
The Secretary of Agriculture, Hon. David F. Houston.
The Secretary of Commerce, Hon. William C. Redfield.
The Secretary of Labor, Hon. William B. Wilson.

MEMBERS OF THE ADVISORY COMMISSION

Hollis Godfrey (Chairman), President Drexel Institute, Philadelphia, Pa.
Howard E. Coffin, Vice President Hudson Motor Car Co., Detroit, Mich.
Bernard M. Baruch, 111 Broadway, New York City.
Samuel Gompers, President American Federation of Labor, Washington, D. C.
Franklin H. Martin, 30 North Michigan Avenue, Chicago, Ill.
Julius Rosenwald, Vice President Sears, Roebuck & Co., Chicago, Ill.
Daniel Williard, President Baltimore and Ohio R. R. Co., Baltimore, Md.

4 **A Meeting of the Advisory Commission of the Council of National Defense was held at the New Willard Hotel, Washington, D. C., at three fifteen o'Clock P. M., December 6, 1916**

Present: Messrs. Bernard M. Baruch, Howard E. Coffin, Hollis Gadfrey, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

The meeting was called to order and the Commission proceeded to organize.

Upon motion of Commissioner Willard, seconded by Commissioner Coffin, Dr. Hollis Godfrey was elected Chairman.

The election of a permanent Secretary was deferred, and Commissioner Baruch was elected Secretary pro tem.

The request of the Council that the Commission submit rules and regulations and proposals of action was given mature consideration, and the matters discussed at length.

It was finally decided to adjourn the meeting without action until nine o'clock A. M. December 7, 1916, at the same place, when the matters would be again discussed and final action taken.

On vote meeting so adjourned.

Attest:

———— ————, *Secretary pro tem.*

5 **The Adjourned Meeting of the Advisory Commission was held at the New Willard Hotel, at 9 o'Clock A. M., December 7, 1916**

Present: Hollis Godfrey, Chairman, and Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

Meeting called to order by Chairman Godfrey.

Discussion of rules and regulations and proposals of action continued.

It was finally voted that the following rules and regulations and proposals of action be submitted for consideration and action of the Council and Commission:

RULES AND REGULATIONS OF THE ADVISORY COMMISSION OF THE COUNCIL OF NATIONAL DEFENSE

Officers.—The officers of the Advisory Commission of the Council of National Defense shall consist of a Chairman, who is to be member of the commission, and of a Secretary who may or may not be a member of the Commission.

Duties of Officers.—The duties of the officers shall be those usually assigned to those holding such positions.

Meetings.—The Advisory Commission of the Council of National Defense shall meet not less than once each month at Washington, D. C., or at such other place as the majority of the Commission may determine. A regular or
6 special meeting shall be official when a majority of the Advisory Commission are in attendance. When the Chairman of the Advisory Commission shall deem it necessary to call a special meeting, he shall communicate with the members of the Commission and ascertain the most convenient time and place for the majority of the Commission to attend.

Meeting Place.—The meeting place for the Advisory Commission shall be in an office of the Secretary of War until such time as a permanent place of meeting for the Commission shall be provided. The Chairman of the Advisory Commission is authorized to confer with the Council with the view to obtaining or hiring convenient offices for meetings of the Commission and for the transaction of the business of the Commission.

PROPOSALS OF ACTION

To begin immediately a study to determine the most effective flexible organization and mechanism for the securing of all necessary information and for the clarifying, recording, and classifying of such information when secured.

To begin immediately a study as to what media now exist which can aid in the carrying out of the purposes of the Council. This study to be made in three divisions—governmental media in the departments, governmental media outside the departments, and civil media. As this study progresses it is believed that the Council can aid materially in the development of such media, and can from time to time define (i. e. delimit and delineate) spheres of activity in which existing organizations may operate intensively without duplication.

7 To begin immediately a study on the possibility of obtaining the cooperation of industrial and scientific leaders in various lines.

To begin immediately a study of the coordination of transportation, communication, and surveys.

To continue the work done on the inventory of manufactures, of medical equipment and officers, of supplies, and of resources.

To assist in the development of the "Personnel Index" already begun.

To assist in the advancement of the physical well being of the people of the Nation.

To set a fixed date (a date three months after the beginning of action is suggested) on which an inspection may be made of the work accomplished to that date. This inspection to be made through the submitting to the Commission of an actual problem by the Departments of War and Navy, with the intent to determine at that time what needed information is or is not available.

To form a temporary organization to put the above proposals or any part of them or additional proposals into effect at the earliest possible date, with the intention of changing from a temporary organization to a permanent organization as the progress of the work makes this possible.

To begin a study of the best methods of expression of the work of the Council to the people of the Nation.

8 To scrutinize all legislative action, touching National Defense. To do any other thing or take any other action necessary to give effect to the law under which the Council and Commission are organized.

The question of dividing the Commission into subcommittees was discussed and deferred to future action.

The question of the selection of a permanent Director as provided by law and a permanent Secretary was deferred for future consideration and action.

The Chairman of the Advisory Commission was requested to communicate with the members of the Commission as often as circumstances may require.

The Chairman and Commissioner Coffin were authorized to submit to the Commission the names of a temporary Director of the work to be done under the direction of the Council and Commission and a temporary Secretary of the Council and Commission respectively, same to be subject, before submission to the Council, to confirmation by the majority of the Commission in session or by communication.

The Chairman and Commissioner Coffin were authorized to submit to the Council any necessary additional plans to those contained here for immediately carrying into effect the proposals of action submitted.

9 The Chairman and Commissioner Coffin reported on the question of the selection of a temporary Director and Secretary and submitted the names of Mr. Walter S. Gifford for the position of Temporary Director of the work to be done under the direction of the Council and Commission and the name of Mr. D. Dana Bartlett for the position of Secretary of the Council and Commission, each to be employed for a period of twelve weeks at $200 per week.

It was voted that the report of Chairman Godfrey and Commissioner Coffin be accepted and the selection approved, and that Chairman Godfrey be authorized to submit to the Council for action the names of Mr. Walter S. Gifford and Mr. D. Dana Bartlett for the position of Temporary Director and Temporary Secretary, respectively, under the terms and conditions stated.

Voted to adjourn until five o'clock.

Attest:

——— ——— *Secretary pro tem.*

10 **An Adjourned Meeting of the Advisory Commission was held at the Shoreham Hotel, at 5 o'Clock P. M., December 7, 1916**

Present: Hollis Godfrey, Chairman, and Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

Upon vote the Chairman was authorized to act as the representative of the Commission to obtain quarters and make any necessary expenditures for organization. The Chairman was also authorized to temporarily underwrite the expenditures incurred for these purposes.

Voted to adjourn.

Attest:

——— ——— *Secretary pro tem.*

11 **The Regular Monthly Meeting of the Advisory Commission of the Council of National Defense was held at the offices of the Commission in the Munsey Building, Washington, D. C., at 9 o'Clock A. M., January 8, 1917**

Present: Hollis Godfrey, Chairman, and Commissioners Howard E. Coffin, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

The meeting was called to order by the Chairman and the first business taken up was the Proposals of Action approved at the last meeting of the Council and Commission. These were read by the Chairman and brifly discussed.

The subject of rent of the offices now occupied and the proposed office space on the twelfth floor in the Munsey Building was taken up.

It is ruled by the Comptroller of the Treasury that no rent can be paid from the present appropriation for the work of the Council and Commission. Therefore it was decided that action be deferred and the matter taken up at the joint meeting of the Council and Commission to be held at eleven fifteen o'clock, A. M.

Commissioner Rosenwald suggested that the relations that should exist between the Government Departments and the Advisory Commission ought to be defined. He believed that certain matters should be taken up direct by the members of the Commission but that all details should be handled through the Director of the Council.

No action taken.

The Chairman presented the charts that had been prepared on "Governmental Media" and explained them in detail. The fact was brought out that many of the pamphlets shown on Govern-

12 ment lists were out of print and it was suggested by Commissioner Gompers that it be recommended to the Council that some action be taken to the end that all pamphlets, on subjects of importance to the Commission, out of print, be reprinted by the Government. It was also suggested that copies of the charts when finished should be furnished each member of the Commission.

No action taken.

Commissioner Coffin stated that, while it was his opinion that the Commission should be very careful in making recommendations to

the Council, he thought it might be advisable to recommend that a department be established to maintain a permanent catalogue record of all Government publications, properly cross-indexed.

No action taken.

In discussing the question of "Governmental Media" Commissioner Willard stated that it would be well to ascertain what the scope of Government knowledge is and also to determine whether the work of cataloging it should be done by the Commission and that before investigations of any nature were started the existing Government knowledge should be obtained.

It was moved by Commissioner Gompers, seconded by Commissioner Rosenwald that the Council be advised as follows:

The Advisory Commission of the Council of National Defense, having met last month and realizing the necessity of ascertaining what the Government has done and is doing, what it has published and what may be available, the Chairman of the Commission had a series of charts prepared covering the thoughts to which the Commission gave expression.

At the meeting this morning the Chairman of the Commission presented the series of charts for discussion in order to see that they did not cover any work that has already been done by the Government Departments and to prevent the possibility of such duplication.

13 The charts show the difficulties which have been experienced up to this time in obtaining information upon the subjects to industry, which must be collected and classified so as to be of use, and they show that the Government already possesses a veritable mine of information, which, if made available, will be of the greatest possible benefit to the Government, the Council, the Commission, and to industry, commerce, science, and to every citizen.

So far as is known to the Commission there is no way at arriving at what exists today in all the various departments of the Government, containing the necessary information of research that has been made and is being made on a thousand subjects which are necessary for the information of the members of this Commission.

The Commission is of the opinion that before it can be of full effective service to the Council in carrying out the purposes of the Act creating the Council and the Commission, the information indicated by the charts must of necessity be at its fullest disposal for its criticism, and they submit the charts to the Council of National Defense for their criticism and suggestion.

The Chairman read portions of the records of the previous meetings which he believed should be brought to the attention of the Commission in order that errors, if any existed, might be corrected.

It was moved by Commissioner Martin that the meetings should hereafter be reported verbatim and also that the records as written seemed to be incomplete and should be revised. The motion was seconded, and it was voted that the Chairman prepare records in such detail as his memory and the notes of the Secretary pro tem. would permit and that they be submitted to the several members of the Commission for correction or approval, before being spread upon the records.

It was moved by Commissioner Martin, seconded by Commissioner Willard that two sets of records be kept, one to contain the minutes of the meetings, and one an historical record of the acts and doings of the Commission as a body.

Commissioner Coffin offered as an amendment that two separate records of the minutes of the meetings be kept so that one
14 could be furnished to the Council if at any time it was so desired.

The motion as amended was put by the Chairman and passed.

The Chairman took up the subject of the budget and upon motion of Commissioner Coffin, seconded by Commissioner Gompers, it was voted that a statement of all expenses to date should be submitted to the members as early as possible. A general discussion of the expenses of the Commission followed.

It was voted that if any of the expenses already incurred were not assumed by the Government that they should be assumed by the members of the Commission.

At eleven o'clock A. M. it was voted to adjourn until after the close of the joint meeting of the Council and Commission, to be held at eleven fifteen A. M.

Attest:

(Signed) D. DANA BARTLETT, *Secretary.*

15 Adjourned Meeting of the Advisory Commission, January 8, 1917

By invitation of Commissioner Willard, the members met at dinner at the Metropolitan Club at 7 o'clock, P. M.

Present: Hollis Godfrey, Chairman and Commissioners Bernard M. Baruch, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, Daniel Willard, Director W. S. Gifford of the Council of National Defense, and Dr. Henry E. Crampton.

Meeting called to order by Chairman Godfrey.

It was moved by Commissioner Martin than an order of business be prepared to be followed at all meetings of the Commission and that said meetings be conducted under parliamentary rules. The motion was seconded by Commissioner Baruch and the following order of business was adopted by unanimous vote:

First: Roll Call.
Second: Reading of the Minutes of the previous meeting.
Third: Report of Committees.
Fourth: Unfinished Business.
Fifth: Report of the Director of the Council.
Sixth: New Business.

It was voted that the Chairman of the Commission and Director of the Council should determine before the meetings of the Commission what matters should be taken up by the Commission as new business and that suggestions for new business by the Commissioners should be made to the Director of the Council as early as possible before said meetings that they may be included in the order of new business.

It was moved by Commissioner Gompers and seconded by Commissioner Martin that matters referred to the Commission by the Council should now be taken up and it was so voted.

Director Gifford presented the following matters:

16 *Educational Orders.*—Data now in the hands of the Council to assist the War Department in developing new sources of supply as contemplated in the Army Appropriation Bill and also stated in the law as one of the duties of the Council of National Defense.

It was moved by Commissioner Gompers, seconded by Commissioner Willard that the Advisory Commission approve the development of new sources of supply as contemplated in the Army Appro-

priation Bill by means of educational orders, and recommend to the Council of National Defense that they approve said plan and urge the Council to request Mr. Coffin to undertake an investigation; that Mr. Coffin be requested, if time permitted, to report his findings to the Commission, if time did not permit, that he should report directly to the Council and forward to the Secretary of the Commission his report or synopsis of the same for the Commission records.

So voted.

Machine Tool Survey.—The Cincinnati Milling and Machine Company has offered to make a survey gratis of all tools and jig equipment involved in milling operations on munitions production.

On motion of Commissioner Baruch, seconded by Commissioner Martin, it was voted that the matter be referred to Commissioner Coffin for report to the Commission with recommendations at the next regular meeting.

Industrial Reserve.—Consideration of plans to enroll skilled labor in industrial reserve. These plans may well bear directly on
17 the question of personnel records, such as the American Legion records, etc.

On motion of Commissioner Willard, seconded by Commissioner Martin, it was voted that the matter be referred to Commissioner Gompers for report to the Commission for recommendations at the next regular meeting.

Relations with Civilian Organizations.—Civic Organizations, patriotic associations, Chamber of Commerce, etc., wish to assist in National Defense. Relations with such bodies should be established as soon as possible in order that no useless project should be undertaken, and that all possible energy should be at the disposal of the Council of National Defense.

On motion of Commissioner Baruch, seconded by Commissioner Martin, it was voted that the Director be requested to report at the next regular meeting of the Commission the best method of approach on all such matters.

National Organization of Accountants.—Methods of cost and profit determination of peace and war contracts. Many members of this organization now employed on this work in Europe have desired for months to assist this Government in preparing for problems which exist under war conditions.

Chairman Godfrey suggested that a relation of that sort might well be referred to the Secretary of the Commission.

It was voted that the matter be referred to the Secretary for report with recommendations at the next regular meeting, and that the National Organization of Accountants be informed that the matter was under advisement.

Highway along the Mexican Border.—In the matter of the
18 Highway along the Mexican Border referred to the Director by the Council with the intention, possibly, that he shall refer it to one of the Advisory Commission and likewise the matter of the development of our mineral resources, it was suggested by Commissioner Willard that the Director endeavor in the meantime to get any illuminating information on these subjects that he can and advise the Commission.

Commissioner Martin stated that several committees (self-appointed some of them) were working on the standardization of surgical instruments, surgical dressings and pharmaceutical supplies for our Medical Department in the Army, Navy, and Red Cross, and suggested that the several committees now known to be working on such standardization be invited to meet in Washington at some convenient time to cooperate with the Council of National Defense and the Surgeon General's Department of the Army and Navy so that a standard acceptable to all might be established.

It was voted that the Commission recommended to the Council that an invitation be sent and that Commissioner Martin should prepare a proper form of invitation to be presented by the Director to the Council for their approval.

Commissioner Martin referred to the twenty-one Red Cross Base Hospitals organized in the United States by Colonel King, and stated that four of said hospitals units in Chicago, for which a fund of $160,000 was raised, had not bought their materials owing to the lack of storage facilities.

It was moved that it be recommended to the Council, through Commissioner Martin, at the next regular meeting that the War Department furnish as soon as possible storage facilities for the Red Cross supplies for which the money has been collected.

The motion being seconded, it was so voted.

19 Commissioner Willard brought to the attention of the meeting the importance of the development of ideas about railroad transportation, and suggested that an investigation should be undertaken through such means as seemed most appropriate for the purpose of developing in what way the railroads can be beneficial to the Government.

It was moved by Commissioner Rosenwald, seconded by Commissioner Baruch, that Commissioner Willard be authorized to make such investigation and report to the Commission with recommendations at the next regular meeting.

Commissioner Baruch stated that he had been making a study of the steel and metal industries, and wanted to consult further with the authorities in those trades if the Commission felt that it was perfectly proper for him to go ahead. He had not been doing it as a member of the Commission and would not necessarily need authority, but he wanted to feel that the Commission desired him to go ahead and bring from the suggestions of those trades an understanding of what they could do, how to get their resources together.

It was moved by Commissioner Rosenwald that Commissioner Baruch be requested to bring in a report at the next meeting of some work that can be done for the Council of National Defense or for the Government, through the Council, in the metals.

This motion, being duly seconded, was carried

It was voted that the next meeting of the Commission be held at the office of the Commission on Sunday, February 4, 1917, at eleven o'clock A. M. in order to make preparations for the joint meeting of the Council and Commission to be held on February 5th.

Adjourned.

Attest:

(Signed) D. DANA BARTLETT, *Secretary.*

31252—36—No. 8——2

20 **A Special Meeting of the Advisory Commission Was Held at 3 o'Clock P. M., Monday, February 12, 1917**

Present: Hollis Godfrey, Chairman, and Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, and Julius Rosenwald.

The reading of the minutes of the last meeting was waived, and there being no objection they stand approved.

The following resolutions presented to the Council by Secretary Lane and referred to the Commission were read by the Chairman:

I. *Resolved*, That the Council call a series of conferences with the leading men in each industry fundamentally necessary to the defense of the country in the event of war, at which conferences these men shall be asked to organize themselves so as to deal with the Council through one man or through a committee of not more than three men, to whom the Council shall submit such problems as may affect such industries.

That the Secretary of War shall designate one or more members of the Council or Commission to meet with such conferences and set forth the desire of the Government and its prospective needs.

That these conferences be held as soon after the present meeting as practicable.

That we at once proceed to confer with those familiar with the manner by which foreign governments have dealt with this problem.

II. *Resolved*, That the Council establish a Committee who shall investigate and report upon such rules and regulations as to hours of labor, sanitation of work places, and safety of labor as should apply to all labor used in the manufacture of such commodities as the Nation may need.

After a detailed discussion of the foregoing resolutions the Commission at six thirty P. M. voted to adjourn until eight thirty P. M.

Attest:

(Signed) D. Dana Bartlett, *Secretary*.

Meeting Reconvened at 8: 30 o'Clock P. M.

Present: Hollis Godfrey, Chairman, and Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, and Julius Rosenwald.

After further discussion of the resolutions, it was voted that the following recommendations to the Council of National Defense be presented for consideration and approval at the joint meeting of the Council and Commission to be held Tuesday at nine thirty o'clock A. M., February 13, 1917.

The Advisory Commission of the Council of National Defense presents the following recommendations to the Council of National Defense:

We beg to state that we believe that any program should have for its object the provision of an adequate military and naval defense based on an adequate industrial and commercial coordination and preparation. To attain this end the Council must, in our opinion, adopt a definite, immediate, and continuing program.

The Council at the joint meeting of the Council and Commission on February 12, 1917, considered the two following resolutions, which were later referred to the Advisory Commission:

I. *Resolved*, That the Council call a series of conferences with the leading men in each industry fundamentally necessary to the defense of the country in the event of war, at which conferences these men shall be asked to organize themselves so as to deal with the Council through one man or through a committee of not more than three men, to whom the Council shall submit such problems as may affect such industries.

22 That the Secretary of War shall designate one or more members of the Council or Commission to meet with such conferences and set forth the desire of the Government and its prospective needs.

That these conferences be held as soon after the present meeting as practicable.

That we at once proceed to confer with those familiar with the manner by which foreign governments have dealt with this problem.

II. *Resolved*, That the Council establish a Committee who shall investigate and report upon such rules and regulations as to hours of labor, sanitation of work places, and safety of labor, as should apply to all labor used in the manufacture of such commodities as the Nation may need.

Both these resolutions assumed or implied the creation of committees in these words:

That the Secretary of War shall designate one or more members of the Council or Commission, etc. (Resolution I).

That the Council establish a Committee, etc. (Resolution II).

We recommend the creation of not only these Committees but of other committees as they may be needed, and now recommend—

That the Commission be divided into committees. A member of the Commission shall be the Chairman of each of these committees.

That committees be formed to take charge of the following subjects:

a. Medicine, including general sanitation, Commissioner Martin, Chairman.

b. Labor, including conservation of health and welfare of workers, Commissioner Gompers, Chairman.

c. Transportation and Communication, Commissioner Willard, Chairman.

d. Science and Research, including engineering and education, Commissioner Godfrey, Chairman.

e. Raw materials, Minerals and Metals, Commissioner Baruch, Chairman.

f. Munitions, manufacturing, including standardization and industrial relations, Commissioner Coffin, Chairman.

g. Supplies, including food, clothing, etc., Commissioner Rosenwald, Chairman.

23 That the Chairman of each respective committee shall have power to select the members of his committee from either governmental or civil life, or both.

That the Director of the Council of National Defense shall be ex officio a member of all committees.

That each committee formulate its plan of action, subject to revision and approval by the Commission and when recommended by the Commission, to be submitted in turn to the Council.

We recommend that these committees undertake the definite plans laid down in the following words:

"The Council to furnish list of materials and service required separated, as far as possible, into trades, businesses, or professions.

"Call a series of conferences with representatives of these trades, businesses, or professions. At such conferences the representatives shall be asked to organize so as to deal with the Council through one man or through a committee of not more than three men, to whom

the Council shall submit problems which may affect the national defense and welfare.

"That the Secretary of War designate one or more members of the Council to meet the conferees and set forth the desires of the Government and its needs. To quote the words of the enabling act these needs are 'the creation of relations which well render possible in time of need the immediate concentration and utilization of the resources of the Nation.'"

On motion of Commissioner Baruch, seconded by Commissioner Martin, it was voted that the Chairman appoint a committee to draft a set of By-laws for the Commission.

Chairman Godfrey appointed the Chairman and Commissioners Martin and Gompers, and requested Director Gifford of the Council to advise.

Voted to adjourn.

Attest: (Signed) D. DANA BARTLETT, *Secretary.*

24 An Adjourned Meeting of the Advisory Commission Was Held at Two thirty o'Clock P. M., Wednesday, February 14, 1917

Present: Hollis Godfrey, Chairman, and Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

A draft of proposed rules and regulations for the Council of National Defense were presented, and a detailed discussion followed.

Chairman Godfrey stated that as he thought fundamental principles were involved he was of the opinion that more time should be given to the matter and that a careful study should be made of the experiences of foreign countries before the Commission should make its recommendations to the Council and wished his objection to be placed on record.

It was moved by Commissioner Gompers, seconded by Commissioner Baruch, that the following Rules and Regulations be recommended for adoption by the Council.

The motion being put, it was so voted.

25 RULES AND REGULATIONS OF THE COUNCIL OF NATIONAL DEFENSE

PREAMBLE

The Council of National Defense is established for the coordination of industries and resources for the national security and welfare by an Act of the Sixty-fourth Congress, approved August 29, 1916, entitled "An Act making appropriations for the support of the Army", etc.

The Council consists of the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor.

The Advisory Commission created by the said Act shall consist of not more than seven persons, each of whom shall have special knowledge of some industry, public utility, or the development of some natural resource or be otherwise specially qualified in the opinion of the Council for the duties provided by said Act.

I. OFFICERS

The officers of the Council of National Defense shall consist of a President, who shall be the Secretary of War, ex officio, a Director, and a Secretary.

The officers of the Advisory Commission shall consist of a Chairman and a Secretary, who shall be the Secretary of the Council, ex officio.

26 II. ELECTION OF OFFICERS

The Director and the Secretary of the Council shall be elected by a majority vote of the Council in March 1917, to serve for a term of four years. They may be removed at any time by a majority vote of the Council and other officers elected for the unexpired term.

The Chairman of the Advisory Commission shall be a member of the Commission and shall be elected by a majority vote of the Commission at its regular meeting in March 1917, to serve for the term of one year and thereafter elected annually.

III. DUTIES OF OFFICERS

President.—The President of the Council shall preside at all meetings of the Council and at the joint meetings of the Council and Commission.

In his absence the duties of the President shall devolve upon the Secretary of the Navy, if present; if not present, upon the member of the Council present next in the order hereinbefore named.

Chairman.—The Chairman of the Advisory Commission shall preside at all meetings of the Commission and shall be the representative of the Commission at the joint meetings of the Council and Commission and in all general matters pertaining to the business of the Commission.

27 In the absence of the Chairman a member of the Commission may be appointed by a vote of the Commission to act as Chairman for the meeting.

Director.—The Director shall be the executive officer of the Council, shall carry out its orders and determinations, and be its representative in the execution of its powers. He shall have active charge of all work undertaken by authority of the Council. He shall authorize all expenditures and financial obligations and approve all disbursements in accordance with the authority conferred upon him from time to time by the Council and shall make such appointments as may be necessary for the proper conduct of the business of the Council and Commission.

He shall attend all meetings of the Council and shall supervise all special investigations made by the subordinate bodies or experts appointed by the Council and be at all times in close touch with the investigations, researches, and inquiries undertaken by the Commission and with all branches of the work of both the Council and Commission.

Secretary.—The Secretary shall attend and record the proceedings of all meetings of the Council and Commission. In the absence of the Secretary a member of the Council or Commission may be appointed by a vote of the Council or Commission to act as Secretary for the meeting.

28 He shall be the custodian of the official records and files of the Council and Commission, shall attend and record such meetings with civilian or departmental organizations as may be held by the Council or Commission, and shall perform such other duties as may be assigned to him by the Director.

IV. MEETINGS

Regular joint meetings of the Council and Commission shall be held in Washington, D. C., on the first Monday of each month, at such time and place as may be designated in the call of the meeting, excepting where that Monday falls upon a holiday, in which circumstances the meeting shall be held on the succeeding Monday.

Special meetings of the Council may be held at any time on call of the President or at the request of a majority of the Council.

Special joint meetings of the Council and Commission may be held at any time on call of the President or at the request of a majority of the Council.

A majority of the Council shall constitute a quorum.

Regular meetings of the Advisory Commission shall be held at the office of the Commission in Washington, D. C., on the first Monday of each month, at nine o'clock A. M., excepting where that Monday falls upon a holiday, in which circumstances the meeting shall be held on the succeeding Monday. An adjournment of said meeting shall be made and the meeting reconvened at the close of the regular joint meeting of the Council and Commission held on the same day.

29 Special meetings of the Advisory Commission may be called by the Chairman of the Commission or at the request of a majority of the Com-

mission, to be held at such time and place as may be most convenient for the majority of the Commission, ascertained by communication with its members.

A majority of the Commission shall constitute a quorum.

Notice of said regular meetings shall be mailed by the Secretary to the members of the Council and Commission at least ten days in advance of the date of said meetings.

V. PROCEDURE AND ORDER OF BUSINESS

The conduct of the business of all meetings shall be in accordance with parliamentary rules.

The order of business of the Council shall be as follows:

1. Reading and approval of minutes of previous meeting.
2. Report of the Director.
3. Report of the Chairman of Commission.
4. Unfinished business.
5. New business.

The order of business of the Commission shall be as follows:

1. Reading and approval of the minutes of previous meeting.
2. Report of Commissioners and Committees.
3. Unfinished business.
4. New business.

30 VI. AMENDMENTS

Amendments of the foregoing rules and regulations of the Council of National Defense and the Advisory Commission may be made at any regular meeting of the Council by a two-thirds vote of the Council, but no amendment shall be acted upon without being first submitted to the members of the Council at least five days before the date of said meeting, and the proposed amendment to be voted upon shall be incorporated in the call of said meeting.

Commissioner Rosenwald brought up the subject of the treatment of aliens in the event that severance of diplomatic relations with Germany resulted in hostilities.

Commissioner Gompers stated that this subject had been very ably presented in an address by Dr. Ellery C. Stowell at a recent meeting in New York City.

After discussion as to the advisability of presenting this matter, with recommendations, to the Council, it was moved by Commissioner Gompers, seconded by Commissioner Martin, that before further action the Director be requested to get into communication with Dr. Ellery C. Stowell and endeavor to arrange to have him appear before the Commission tomorrow; or if he cannot, that he transmit to the Commission such document as he may have on the subject. It was so voted.

31 The Director read the following resolution passed by the Naval Consulting Board, such resolution having been referred by the Council to the Commission for suggestion as to the most appropriate acknowledgment and reply:

NEW YORK, *February 10, 1917.*

Hon. JOSEPHUS DANIELS,
Secretary of the Navy, Wash., D. C.:

The Naval Consulting Board at its meeting today adopted the following resolution, that the Secretary of the Navy be informed that this Board holds itself at the service of the Department of War or of the Council of National Defense, to act as a board of inventions or in any other capacity which may be of use to the Government in the present emergency.

(Signed) THOMAS ROBINS, *Secretary.*

Upon motion, duly seconded, the Director was instructed to prepare a resolution to be presented to the Council for their consideration and approval.

Commissioner Coffin called to the attention of the Commission the fact that the work of the Commission could not proceed until the detailed information previously requested by the Commission is received from the Council and suggested that the matter again be brought to the attention of the Council.

Upon motion, duly seconded, Chairman Godfrey and Commissioner Coffin were requested to prepare a letter to be presented to the Council at the next joint meeting.

Voted to adjourn.

Attest: (Signed) D. DANA BARTLETT, *Secretary.*

32 **An Adjourned Meeting of the Advisory Commission was Held Thursday, February 15, 1917, at Three o'Clock P. M.**

Present: Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

In the absence of Chairman Godfrey, Commissioner Willard was, upon vote, elected Chairman pro tem of the meeting.

The following matters referred to the Commission by the Council were then taken up:

In further reference to the following resolution:

1. *Resolved*, That the Council call a series of conferences with the leading men in each industry fundamentally necessary to the defense of the country in the event of war, at which conferences these men shall be asked to organize themselves so as to deal with the Council through one man, or through a committee of not more than three men, to whom the Council shall submit such problems as may affect such industries;

That the Secretary of War shall designate one or more members of the Council or Commission to meet with such conferences and set forth the desire of the Government and its prospective needs;

That these conferences be held as soon after the present meeting as practicable;

That we at once proceed to confer with those familiar with the manner by which foreign governments have dealt with this problem;

said resolution referred to the Advisory Commission for recommendation.

It was moved by Commissioner Gompers, seconded by Commissioner Baruch, that the Commission recommend to the Council that the Director be instructed to prepare a list of those organized industries which he may find should be addressed by

33 the Chairman of the Council, asking them to appoint delegates, and it presents herewith a form letter which, in its opinion, would set the matter properly before them:

The Council of National Defense has been established for the purpose of coordinating industries and resources for the national security and welfare, as shown in the attached copy of the act. As a preliminary step in this programme I suggest that the _____ appoint a committee of not more than three men to represent your industry, including both those in and outside of the organization, and form a channel through which contact may be made between the government and the _____ industry.

I would suggest that such action as may be necessary be taken by your organization, that the names of this committee may be on record with the Council within ten days. In the near future I may request that these representatives come to Washington to consult with the Council and Commission.

That the Commission also recommend to the Council that the Director inform Commissioners Baruch and Rosenwald of the indus-

tries which are not organized and with which it is desirable that the Council establish relations, and obtain from them the names of those individuals to whom a letter should be addressed, similar in character to the foregoing.

So voted.

With reference to the following resolution:

II. *Resolved*, That the Council establish a Committee who shall investigate and report upon such rules and regulations as to hours of labor, sanitation of work places, and safety of labor as should apply to all labor used in the manufacture of such commodities as the Nation may need,

said resolution referred to the Advisory Commission for recommendation.

It was moved by Commissioner Rosenwald, seconded by Commissioner Coffin, that the Commission recommend to the Council
34 that the matter be referred to the Committee on Labor, Commissioner Gompers, chairman.

So voted.

In respect to the matters for action submitted by the Director to the Council and referred by the Council to the Commission, upon motion duly seconded, the following recommendations were voted:

I. Patriotic offers of help.
a. Of industrial and commercial establishments.
b. Of individuals (in this connection consider American Legion).

That the Director be instructed to publish the names of all the firms who have offered their services to the Council and, if it is desired, to include those received by the President and the various Departments of the Government, unless a request has been made that this should not be done.

II. Publicity.

That the Commission recommend to the Council that they authorize the Director to appoint an assistant in the performance of the duties of the Director, and that such assistant remain in office from month to month, except that his services may be terminated at any time by the Director.

III. Relation with Engineers composing State Boards of Directors of Industrial Preparedness organizations.

That the matter be referred to the Committee on Munitions Manufacturing, including standardization and industrial relations, Commissioner Coffin, Chairman.

IV. Increase of domestic production of articles and materials essential to the support of armies and of the people during the interruption of foreign commerce.

35 That the Commission respectfully recommend to the Council that the services of Mr. Hoover be asked in connection with the increase of domestic production of articles and materials essential to the support of armies and of the people during the interruption of foreign commerce, and such other matters of which he has special knowledge and ability; also that the Secretary of Commerce be requested to furnish a list of such articles as were implied under the provision of the foregoing paragraph of the law.

V. The giving of information to producers and manufacturers as to the class of supplies needed by the military and other services of the government, the requirements relating thereto.

Action deferred until the information necessary is furnished.

VI. The utilization of waterways.

VII. The development of seagoing transportation.

VIII. The coordination of military, industrial, and commercial purposes in the location of extensive highways and branch lines of railroads.

That these matters be referred to the Committee on Transportation and Communication. Commissioner Willard, Chairman.

It was voted that the Commission submit the following memorandum to the Council with recommendation that a proclamation or a statement substantially along these lines be sent out as coming from the Council of National Defense.

The Council of National Defense touches the life of the nation at practically every point. In the words of the act creating it, it is charged not merely with "the concentration and utilization of the resources of the nation." It is its equal duty, in times of stress, to mobilize goodwill within its borders, to forestall bitter dissensions of race or of individuals arising from acts
36 of passion, and in every way to conserve the national unity.

The United States, for many generations has been the shelter of the oppressed of the world and of those who would become one with the spirit of the Republic. It is the crucible of the nations. Many of those who have come to us are now citizens. Many are not. It is with the latter that we are chiefly concerned.

The presence here at this time of perhaps 8,000,000 aliens is deeply and soberly to be weighed, not only in our interest but in their own. For so long a space as they are lawful dwellers within this country, they are entitled to the generous consideration of the people and Government of the United States. Emphasizing anew our national doctrines of tolerance and personal liberty, of holding all persons within the land to be loyal unless by their own acts they shall prove the contrary, we call upon all citizens, if untoward events should come upon us, to present to these aliens, many of whom will tomorrow be Americans an attitude of neither suspicion nor aggressiveness. We urge upon all Americans to meet these millions of foreign born with unchanged manner and with unprejudiced mind. Any other course is unworthy of our traditions and against public policy and the free flow of governmental affairs.

It was voted that the Commission recommend to the Council the completion of the industrial inventory made under the direction of the Committee on Industrial Preparedness of the Naval Consulting Board.

It was voted that the Commission recommend to the Council that in any future meeting such as have been held during the past three days a stenographic report be made.

Commissioner Coffin referred to the Committee consisting of Commissioner Gompers and himself appointed by the Council to prepare rules and regulations for the exclusion of labor from military service and stated that Mr. Bascom Little, President of the Committee of National Defense of the National Chamber of Commerce had been added to said Committee.

After outlining the work planned by the Medical Section, Commissioner Martin stated that although he appreciated that this
37 had already been authorized by the Council, he would also like to have it authorized by the Commission.

The work had progressed to a point where he desired, in connection with the plans for increasing the Medical Reserve Corps, to address a letter to the Committees which had been formed in the different cities and states and to the medical men who had returned from service with the Allies; this he would like to have approved by the Commission.

Upon motion of Commissioner Rosenwald, seconded by Commissioner Gompers, it was voted the Commissioner Martin be authorized to continue the work as outlined.

Commissioner Martin stated that in his opinion much advantage could be attained from the experience of the Medical men who had been in active service abroad, that he knew several distinguished physicians, who had recently returned, who would be glad to give the Council and Commission the benefit of their experience, and he suggested that Doctors Alexis Carrell, Karl Connell and Herbert A. Bruce be invited to address the Council and Commission.

Commissioner Coffin moved that Commissioner Martin with the Director make the necessary arrangements. Motion was seconded by Commissioner Rosenwald and it was so voted.

In this connection Commissioner Gompers stated that he knew one or two experts who had just returned from the European War whose experience, he thought, would also be of benefit to the
38 Commission and suggested that they be invited to address The Commission at any early date.

It was moved by Commissioner Coffin, seconded by Commissioner Gompers, that Commissioner Gompers, through the Director, arrange to have the men appear before the Commission.

The meeting adjourned until nine-thirty A. M. Friday, February 16, 1917.

Attest:

(Signed) D. DANA BARTLETT, *Secretary.*

Correction: "President" to read "Chairman" by vote of the Council Meeting, February 28, 1917.

Attest:

(Signed) D. DANA BARTLETT.

39 **The Meeting Reconvened at nine-thirty o'Clock a. m. Friday, February 16, 1917, in the office of the Secretary of War**

Present: Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

The meeting was called to order by Commissioner Willard, Chairman pro tem.

The question of legislation was discussed and upon vote the following recommendation was made to the Council:

The Advisory Commission suggests to the Council the advisability of an immediate study of what, if any, legislation should be passed designed to empower the Government to deal effectively with any emergency that might arise.

The Meeting was adjourned to three p. m.

Attest:

(Signed) D. DANA BARTLETT, *Secretary.*

40 **Meeting reconvened at three o'Clock P. M. at the office of the Commission**

Present: Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

Meeting called to order by Commissioner Willard, Chairman pro tem.

Commissioner Gompers stated that to properly take care of the work of the committee of which he was chairman, it would be necessary for him to have a paid assistant who could devote his entire attention to the work; that he had given this matter careful consideration and had in mind a man who was eminently qualified for the position and of whom he had thorough knowledge, and that his services could undoubtedly be obtained for approximately sixty dollars per week.

It was moved by Commissioner Coffin, seconded by Commissioner Baruch, that the Commission recommended to the Council that the Director of the Council be instructed to employ a man at approximately three thousand dollars a year as Chief of the Labor Section in connection with the work of the Committee on Labor, of which Commissioner Gompers is Chairman.

Commissioner Coffin, referring to the drawings and specifications that were to be furnished covering the munitions and supplies required by all departments of the Government suggested
41 that in his opinion the Commission should recommend to the Council for its consideration the creation of a board, the personnel of which shall be chosen from the industrial and military fields for the purpose of scanning, criticising, and correcting the existing specifications and drawings.

It was the sense of the meeting that this recommendation should be made and Commissioner Coffin was requested to draft a resolution to that effect. Commissioner Coffin presented and read the following resolution:

Whereas a close observation of the trend of events in foreign countries during two years and a half of the European struggle has clearly shown us that wars, as now waged, involve the closest possible coordination and utilization, not only of the human but of the material resources of the nation; and

Whereas such coordination and utilization of the national resources may be achieved only through the preparation and execution of the most carefully considered and comprehensive plans for a definite and continuing governmental policy: Therefore be it

Resolved, That the Advisory Commission of the Council of National Defense recommend to this Council the creation of an expert body, whose personnel shall be chosen by the Commission subject to approval by the Council, from among those having special knowledge in industrial, military, and naval affairs, and who shall proceed, without delay, in the preparation, for presentation to the Council and its Advisory Commission, such definite plans as may, after criticism and revision by these bodies, be adopted as a basis for the maintenance of the national security and welfare in the event of present or future international emergency; and be it further

Resolved, That the expert body thus created be especially charged with the following detailed duties:

1. Investigation and recommendation as to present and future methods of procurement of governmental supplies.

42 2. Investigation, criticism, and correction when necessary of the existing methods, specifications, and drawings covering munitions and the materials and articles of supply (in War and Navy Departments) with a view

to putting these specifications and drawings into form for rapid and quantity duplicate production in private manufacturing plants throughout the United States.

3. Consider carefully the fundamentally vital need that proper standards in method, in treatment, in design and in dimension which has come to be recognized as a prerequisite to all rapid quantity production and to any national mobilization of our industrial resources for the National Defense.

4. Recommendation as to the preparation and storage or placing in the hands of private and government manufacturing plants of duplicate copies of corrected specifications and drawings, in order that there may be brought about the widest possible dissemination of this specialized knowledge.

5. Consider and make recommendation covering the necessity for the production and supply by the Government to private manufacturers, or the making upon the part of the private manufacturer, in conformity with master gauges owned by the Government, the necessary gauges, and special equipment necessary for the insurance of duplicate and interchangeable parts manufactured in every line of munitions work. Experience has shown the munition industry to be a parts-making business, and that these parts shall be duplicate and interchangeable, no matter where manufactured, is a fundamental necessity.

6. Prepare, for presentation to the Council and its Advisory Commission, detail plans covering a practical method for the national education of American Industry in the production of war supplies. Arrange for the placing of minimum annual educational orders, the object of which shall be to teach the manufacturer to do that one particular thing for which his producing equipment shall be found by analysis to be best fitted, and for which the concern is to be held accountable in the event of war. This country has tremendous resources, both in producing equipment and in skilled labor, but these resources are uneducated for the national service and, therefore, useless in emergency. Through a proper educational policy, hundreds of millions of dollars worth of manufacturing equipment, and hundreds of thousands of skilled workers may be so trained as to become a great national asset immediately avail-
43 able in the event of war, and at a minimum of expense to the country.

Upon motion of Commissioner Rosenwald, seconded by Commissioner Baruch, it was voted that said resolution should be presented to the Council for consideration and action.

Voted to adjourn.

Attest:

(Signed) D. DANA BARTLETT.

44 On Call of Chairman Godfrey a Special Meeting of the Advisory Commission Was Held at the Office of the Commission, Washington, D. C., Saturday, February 24, 1917, at Two thirty o'Clock P. M.

Present: Hollis Godfrey, Chairman, and Commissioners Bernard M. Baruch, Howard E. Coffin, Samuel Gompers, Julius Rosenwald, and Daniel Willard.

Commissioner Gompers brought to the attention of the Commissioners the recruiting activities that were being made in Massachusetts in connection with a Naval Industrial Reserve.

As this matter seemed to be closely connected with the purposes of the Committee appointed by the Council to prepare rules and regulations for the exclusion of labor from military service, consisting of Commissioner Coffin and himself, he believed that further activities along these lines should be discontinued until the Committee had made its report. The matter had been brought to the attention of Assistant Secretary Roosevelt of the Navy and he would like the advice of the Commission as to further action.

After discussion it was decided that the matter could properly be left to Commissioners Coffin and Gompers of the Committee for such action as they deemed advisable.

Director Gifford stated that the National Research Council especially desired to establish definite relations with the Council
45 of National Defense and that a similar request had been received from the Naval Consulting Board. He also read a communication from the Committee on Immigration of the Chamber of Commerce relative to Americanization.

At the request of Chairman Godfrey, who stated that Mr. Gano Dunn of the Executive Committee of the National Research Council had said in conference with him on Wednesday last that he would prefer to let matters rest for a time, action in reference to the National Research Council was deferred.

After considerable discussion as to the advisability of establishing definite relations with the Naval Consulting Board or other bodies of similar character, it was voted that an appropriate letter be written by the Director, acknowledging receipt of these communications and asking what relations they would like to have established between their society and this Commission and for practical suggestions as to how we can be of mutual help.

Commissioner Coffin presented and read a draft of a resolution that he had prepared to comply with the request of the Council that the original resolution, passed by the Commission and presented to the Council at its special meeting on February 17, 1917, be amended.

Considerable discussion followed relative to suggested changes and it was recommended by Commissioner Rosenwald that the resolution be prefaced with a statement of the law and include the findings and recommendations summarized in the Kernan Report.

46 Commissioner Coffin later presented and read the following resolution, and it was voted to present the same at the next meeting of the Council with recommendations for its adoption:

Whereas in the act for making further and more effectual provisions for the National Defense, and for other purposes, approved June 3, 1916, Section 120 provides that—

"The Secretary of War shall also make, or cause to be made, a complete list of all privately owned plants in the United States equipped to manufacture arms and ammunitions, or the component parts thereof. He shall obtain full and complete information regarding the kind of arms or ammunition, or of the component parts thereof, manufactured or that can be manufactured by each such plant, the equipment in each plant, and the maximum capacity thereof. He shall also prepare a list of privately owned manufacturing plants in the United States capable of being readily transformed into ammunition factories, where the capacity of the plant is sufficient to warrant transforming such plant or plants into ammunition factories in time of war or when war shall be imminent; and as to all such plants the Secretary of War shall obtain full and complete information as to the equipment of each such plant, *and he shall prepare comprehensive plans for transforming each such plant into an ammunition factory, or a factory in which to manufacture such parts of ammunition as in the opinion of the Secretary of War such plant is best adapted.*"

And Section 123 provides that—

"The Secretary of War be, and he is hereby, authorized to prepare or cause to be prepared, to purchase or otherwise secure, such gauges, dies, jigs, tools, fixtures, and other special aids and appliances, *including specifications and detailed drawings, as may be necessary for the immediate manufacture by the Government and by private manufacturers of arms, ammunition, and special*

equipment necessary to arm and equip the land forces likely to be required by the United States in time of war" and Whereas, the sums of $250,000 and $200,000 to carry out the purpose of said Section 123, so far as relates
47 to ammunition and arms respectively were appropriated in the Army Appropriation Act for fiscal year ending June 30, 1917; and Whereas, in Senate Document No. 664, dated January 4, 1917, a report on the "Government Manufacture of Arms, Munitions, and Equipment," prepared in accordance with the provisions of Section 121 of the same Act, by the Board of which Colonel Francis J. Kernan was President, there appears certain findings and recommendations, to wit:

1. It is not desirable that the Government manufacture its arms, munitions, and equipment, exclusively.

2. It is not feasible or practicable for it to do so, with any due regard to economy or to preparedness within a reasonable time.

3. It is desirable that the Rock Island Arsenal be enlarged promptly and considerably, especially for the increased production of rifles.

4. It is desirable that modern machinery and appliances be installed in all arsenals where needed.

5. It is desirable to arrange with private industry for a portion of the supply of whatever reserves of arms, munitions, and equipment are determined upon with due regard to the conservation of their plant to use in such connection in time of war.

6. It is important to take into consideration the location as well as the organization of plants which are coordinated with a view both to safety and facilities for distribution.

7. It is important to accumulate at least a year's supply of all raw material which is needed in the manufacture of arms, munitions, and equipment and is not to be found within continental United States.

8. It is important to accumulate a full supply of drawings and gauges sufficient to enable all coordinated industries to work to full capacity promptly.

48 9. It is desirable to standardize gauges, jigs, and tools as far as practicable and as soon as practicable.

10. It is exceedingly important that skilled and experienced labor in coordinated industries especially be enrolled, and in the event of war enlisted for work in selected factories.

11. It is important that a comprehensive plan of organization for prompt expansion to full capacity, night and day, both in Government plants and in those of coordinated private industries be worked out and made ready for immediate use.

12. It is important that the Government establish plants for the assemblage of field-gun ammunition at such points as may be best adapted thereto, with due regard to the safety and facility for distribution.

13. It is exceedingly important that our arsenals equipped for the manufacture of rifles and artillery be put to work at full capacity as early as possible; and

Whereas the specific duties of the Council of National Defense include, in the words of the Act: "to supervise and direct investigation and make recommendation to the President and the heads of Executive Departments as to -------- data as to amounts, location, method, and means of production, and availability of military supplies; the giving of information to producers and manufacturers as to the class of supplies needed by the military and other services of the Government, the requirements relating thereto, and the creation of relations which will render possible in time of need the immediate concentration and utilization of the resources of the nation"; and

Whereas the Council "may organize subordinate bodies for its
49 assistance in special investigations, either by the employment of experts or by the creation of Committees of specially qualified persons to serve without compensation, but to direct the investigation of experts so employed": Therefore be it

Resolved, That the Advisory Commission of the Council of National Defense strongly endorses the findings and recommendations of the Kernan Board and urges upon the Council that the Council recommend to the Secretary of War that the work referred to in the above-quoted portion of the Defense Act of June 3, 1916, be hastened to completion and that the recommendations of the Kernan Board be carried out insofar as possible; and be it further

Resolved, That the Council create a committee of specially qualified persons to serve without compensation whose personnel shall be nominated by the Commission, and appointed by the Council, to investigate and advise in the carrying out of the details of the work above described.

Voted to adjourn until nine o'clock, A. M. Saturday, March 3, 1917.

Attest:

(Signed) D. DANA BARTLETT, *Secretary.*

50 **A Regular Meeting of the Advisory Commission was held at the office of the Commission, Washington, D. C., Saturday, March 3, 1917, at nine o'Clock A. M.**

Present: Commissioners Bernard M. Baruch, Howard E. Coffin, Franklin H. Martin, Julius Rosenwald, and Daniel Willard.

In the absence of Chairman Godfrey the meeting was called to order by Commissioner Rosenwald, and upon vote Commissioner Willard was elected Chairman pro tem.

The minutes of the previous meeting were read by the Secretary, and there being no objections they stand approved as read.

The Commission then proceeded to elect a permanent Chairman in accordance with the Rules and Regulations passed by the Council at its meeting held February 28, 1917.

Upon motion of Commissioner Baruch, seconded by Commissioner Coffin, Commissioner Daniel Willard was, upon vote, unanimously elected Chairman to serve for one year.

Commissioner Coffin, in connection with the resolution passed by the Council at its meeting on February 28, 1917, presented the following report:

In accordance with the resolution passed by the Council, providing for the creation of an expert Board to act as an advisory body to the War Department in the matters set forth in portions of Sections 120 and 123 of the Army Reorganization Bill, I beg to submit the following personnel:

W. H. Vandervoort, Moline, Ill.
E. A. Deeds, Dayton, Ohio.
Frank A. Scott, Cleveland, Ohio.
51 Frank Pratt, Schenectady, N. Y.
Samuel Vauclain, Philadelphia, Pa.
John E. Otterson, New Haven, Conn.

Matters pertaining somewhat to the detail of the work of this Board have been discussed at first hand in personal interview with all the above-named gentlemen, except Mr. Pratt. Mr. Pratt has expressed himself, by letter, as willing to be of service in any way possible, but the opportunity of first-hand discussion has as yet been lacking.

Should there, for any reason, be objections upon the part of members of the Commission or Council to any of the gentleman named, I mention the following possible substitutes:

Mr. Alexander Brown, Syracuse.
Mr. B. F. M. Hanson, Hartford.
Mr. A. J. Baker, Cincinnati.
Mr. W. P. Barba, Philadelphia.
Mr. James Couzens, Detroit.

The trade relations of these gentlemen are as follows:

W. H. Vandervoort, Root & Vandervoort, Builders of special machine tools, and Moline Automobile Company.

E. A. Deeds, formerly General Manager of the National Cash Register Co., President of the Dayton Engineering Laboratories Company, and interested in many industrial activities.

Frank A. Scott, Warner & Swasey Company, Cleveland, manufacturers of automatic machinery and optical instruments.

Frank Pratt, General Electric Company, Schenectady.
Samuel Vauclain, Baldwin Locomotive Works, Remington and Westinghouse.
John E. Otterson, Vice President, Winchester Arms, New Haven.

COMMERCIAL CONNECTIONS OF MEN SUGGESTED AS SUBSTITUTES

Alexander Brown, Brown Pipe Gear Company, L. C. Smith Typewriter Company, L. C. Smith Gun Company.
B. F. M. Hanson, Pratt & Whitney, Hartford, Conn.
A. J. Baker, Cincinnati Milling Machine Company, Cincinnati.
W. P. Barba, formerly Midvale Steel Company.
James Couzens, formerly Vice President, Ford Motor Works, Detroit.

Upon motion of Commissioner Rosenwald, seconded by Commissioner Baruch, it was voted that the report be recommended to the Council for consideration and action.

It was moved by Commissioner Baruch, seconded by Commissioner Coffin that the following amendments of the Rules
52 and Regulations be recommended to the Council for consideration and action, and was so voted:

IV. MEETINGS

Regular joint meetings of the Council and Commission shall be held in Washington, D. C., on the last Saturday of each month, at such time and place as may be designated in the call of the meeting, excepting where that Saturday falls upon a holiday, in which circumstances the meeting shall be held on the succeeding Saturday.

Regular meetings of the Advisory Commission shall be held at the office of the Commission in Washington, D. C., on the last Friday of each month, excepting where the last Saturday falls upon a holiday, in which circumstances the meeting shall be held on the succeeding Friday. An adjournment of said meeting shall be made and the meeting reconvened at the close of the regular joint meeting of the Council and Commission held on the following day.

Upon motion of Commissioner Rosenwald, seconded by Commissioner Baruch, it was voted that the following report, made by Chairman Willard of the Committee on Transportation and Communication, be accepted and presented to the Council at the joint meeting this morning.

Voted to adjourn until two-thirty o'clock, P. M.

Attest:

(Signed) D. DANA BARTLETT, *Secretary.*

53 Minutes of Meeting of the Advisory Commission of the Council of National Defense held at the office of the Commission on March 3, 1917

A meeting of the Advisory Commission of the Council of National Defense was held at 2:45 o'clock p. m., March 3, 1917, at the office of the Commission. There were present Messrs. Willard, Baruch, Coffin, Gompers, Martin, Rosenwald, and the Director and Secretary of the Council.

Mr. Willard briefly addressed the commissioners in his new capacity of Chairman of the Commission, stating that he would bring his best endeavors to the work in hand, and that if the other members of the Commission at any time felt that he, Mr. Willard, should be succeeded as Chairman, they had only frankly so to advise him.

Commissioner Gompers stated that he wished to have it appear of record that he heartily approved of the selection of Mr. Willard as chairman, and that if he had been present when the vote for that position was taken, he would have concurred in the choice made. Commissioner Martin made similar expression. It was directed that the statements of Messrs. Gompers and Martin be incorporated into the record, and they are hereby so incorporated.

It was moved by Commissioner Coffin that a suitable resolution be prepared showing appreciation of the services of Dr. Hollis Godfrey as Chairman of the Commission during its preliminary organization. Carried.

The same course as to Mr. D. Dana Bartlett, Secretary of the Commission during its preliminary organization, was moved by Mr. Gompers. Carried.

54 It was moved and seconded that hereafter verbatim reports of the meetings of the Advisory Commission should not be taken, except when especially called for. Carried.

Director Gifford read a letter signed by Gifford Pinchot and others in behalf of the Society of American Foresters, offering the services of that society. In this connection Chairman Willard stated that it was essential to determine a policy as to disposing of such offers of service, lest doing too many things in different direction should interfere with the main channels of work. Mr. Baruch moved that Mr. Gifford draw up a letter to be acted upon with regard to this and similar matters. Carried.

It was moved and seconded that Director Gifford, acting with Mr. Coffin, should arrange to get the necessary information concerning plants now completing their orders for foreign governments. Carried.

A letter from the Aero Club of America, of February 17, 1917, addressed to the Council of National Defense, was, on motion, referred to Commissioner Coffin for his investigation so that he could advise the Advisory Commission as to the proper action to be taken. This letter contained a copy of a resolution passed by the Board of Governors of the Aero Club urging that the appropriation for military aeronautics be increased to $50,000,000.

A letter from Thomas C. Spelling, of New York, of March 2, 1917, to Director Gifford was read aloud, as was Chairman Willard's letter of February 27, 1917, to Director Gifford, in relation to Mr. Spelling and the latter's desire to bring an invention to his to the notice of the Council. It was voted that Director Gifford write Mr. Spelling that he would be allowed fifteen minutes in which to appear before the next regular meeting of the Advisory Commission, on April 6. The chairman directed that it be recorded
55 in the minutes that such action was taken at his, the chairman's request.

Following on a discussion of documents submitted by the National Daylight Savings Association, it was moved by Commissioner Gompers that the Advisory Commission endorse to the Council of National Defense the principle of daylight saving. Carried.

Director Gifford introduced a letter of February 24, 1917, from Chairman Denman, of the U. S. Shipping Board, in connection with the quantity production of wooden steamships. A more or less general discussion was held on this subject, but no conclusive action was taken.

31252—36—No. 8——3

The Director stated that broad questions as to the proper method for establishing and maintaining a Federal censorship of the press had been brought up by Mr. Philip Patchin, a newspaper correspondent, and by Mr. Clarkson, secretary of the Council, and enquired if the Advisory Commission wished to go into the matter. After brief discussion it was moved and carried that the Director gather further data on this subject.

Commissioner Gompers reported that he had called an executive council meeting of the American Federation of Labor for March 9, 1917, for the purpose of considering the attitude of labor toward the preparedness plans of the Government. He referred to England's difficulty in the first year of the war to enlist the services of the working people. He went on to say that in England unity was lacking between the Government and labor, and that the same situation, if not properly handled beforehand, could arise in this country in even more acute form, largely because of the racial diversity of our working classes. Commissioner Gompers stated that he was now bending his efforts to mobilizing good will in this general connection, saying, "I want the working men to do their part if war comes to America." He forecasted the meeting

56 at Washington on March 12, 1917, of the officers of the National and International Trade Unions of America, and said, "I am expecting a definite response of support from every trade union in America." The Commissioner then raised the question if it would be feasible for the Government to pay the expenses of calling 600 labor representatives to meet at Washington to discuss problems growing out of the National Defense. After discussion among the members of the Advisory Commission, it was decided that the commissioners should talk the matter over between themselves, and with others concerned, before the next regular meeting of the Advisory Commission.

Commissioner Martin stated that he would make a report on the work of his committee before the next regular meeting and forward copies thereof to the commissioners in advance of that meeting.

Commissioner Baruch reported having received a great many communications dealing with raw materials, and he wished information as to his authority in appointing leading manufacturers to serve on committees with him. Director Gifford stated that it was clear that Mr. Baruch had such authority but that he would confirm this with the chairman of the Council.

Chairman Willard directed that hereafter all communications addressed individually to members of the Advisory Commission be referred to the Director for reply, or if the commissioners should prefer, that they themselves reply direct, sending the entire correspondence to the Director for permanent file.

Letters were presented by Director Gifford from Mrs. Charles A. Van Rensselaer, asking approval of a universal training plan so as to provide military balloon operators; from Frank G. Odell, executive secretary of the National Conservation Congress, offering the services of that body to the Council of National Defense; and from

Commissioner Rosenwald with regard to the attitude of Congressman Burnett as to Americanization. No action was taken on these communications.

57 The meeting adjourned at 5:15 p. m.

Attest:

(Signed) GROSVENOR CLARKSON,
Secretary of the Advisory Commission.

58 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, March 23, 1917

A special meeting of the Advisory Commission of the Council of National Defense was held at the office of the Advisory Commission at 2:40 o'clock P. M., March 23, 1917.

There were present: Chairman Willard and Commissioners Baruch, Coffin, Godfrey, and Gompers. Commissioner Rosenwald was not able to be present, as he did not get the notice for the meeting in time to leave Chicago and arrive in Washington at the stated hour. He requested that this fact be recorded in the record, and it was so directed.

The minutes of the previous meeting of the Advisory Commission were read and, there being no objection stood approved as read.

Chairman Willard introduced the following report of the activities of the telephone and telegraph men in connection with his committee, stating that this report would be offered to the Council:

59 MARCH 13, 1917.

To the Members of the Advisory Commission:

GENTLEMEN: I have to report that at my instance there was held in Washington, on March 19, 1917, a meeting of a committee of the leading telephone and telegraph executives of the country to perfect plans to insure to the Government the most rapid and efficient telephone and telegraph communication in the event of war. The committee in question was headed by Theodore N. Vail, president of the American Telephone and Telegraph Company, and its other members were: Newcomb Carlton, president of the Western Union Telegraph Company; Charles F. Bruch, vice president of the Postal Telegraph Cable Company; F. B. McKinnon, vice president of the U. S. Independent Telephone Association; and N. C. Kingsbury, vice president, American Telephone and Telegraph Company.

The committee met at the office of the Secretary of War and there conferred with Secretary Baker, in his capacity as Chairman of the Council of National Defense, and W. S. Gifford, the Director of the Council. Secretary Baker expressed gratification at the loyal, prompt action of the wire companies in support of the Government in preparation for the Government's possible emergency needs in telephone and telegraph communication. He particularly thanked the committee for the steps already taken voluntarily by them to give the Government right-of-way on the outbreak of war. Conferences were later held with Brigadier General Kuhn, president of the War College; Brigadier General Squier, chief signal officer of the Army; and Commander Todd, Director of Naval Communications.

Mr. Vail summed up the net result of this and previous meetings along this line when he said: "The vital thing, fully realized by both federal officials and the wire companies, has been to perfect a coordination to ensure complete cooperation, not only between the Government and the companies but between the companies themselves with regard to communications and censorship of communications. That has now all been arranged for."

Very truly yours,

(Signed) DANIEL WILLARD,
Chairman Committee on Transportation and Communication.

60 Chairman Willard then read his report concerning equipment necessary for an army of one million men (copy attached hereto).

Commissioner Gompers, Seconded by Commissioner Coffin, moved that the Chairman's report be adopted. Carried.

Chairman Willard read the following report of March 23, 1917, addressed to the Secretary of War (copy attached hereto). Commissioner Martin, seconded by Commissioner Godfrey, moved that the foregoing report be submitted to the Council. Carried.

Chairman Willard read a letter from Mr. Samuel Vauclain, of date March 21, 1917 (copy attached hereto).

A discussion was had as to the matter of requesting manufacturers now making munitions, who were about to dismantle their equipment, to hold said equipment for the possible use of this government. The Director suggested that the Advisory Commission make a recommendation to the Council in this connection. The Chairman thereupon directed Mr. Coffin to prepare a letter along this line for submission to the Council on the succeeding day.

The following resolution was passed:

Resolved, That the Advisory Commission recommend to the Council of National Defense that under existing conditions the most direct and expeditious routings, regardless of cost, be employed by the Government in making rail shipments.

Commissioner Gompers stated he was obliged to leave the meeting on account of urgent speaking engagements and requested that the cause of his absence be stated to the Council at the joint meeting on the following day.

Mr. Gompers referred to the meeting, on March 12, of the heads of the trade unions of the American Federation of Labor, stating this this meeting had produced a comprehensive declaration
61 of loyalty which had been generally commended, though there had appeared a little criticism, which he believed would be dissipated when the action taken at the meeting was better understood. He called to the attention of the Commission the work of Chairman Willard and Secretary Lane in the recent settlement of the threatened national railroad strike, stating that credit for the successful adjustment of this matter belonged to them, though he had reason to believe that Commissioner Baruch contributed materially to that result, and asked that it be so stated in the records. Chairman Willard responded, saying that Mr. Gompers did not sufficiently emphasize the part which he (Mr. Gompers) and Secretary Wilson had played in the settlement of the strike situation. The Chairman also said that Commissioner Baruch had given valuable aid.

The following report of Commissioner Baruch was submitted:

62 "B" MARCH 23, 1917.

MR. DANIEL WILLARD,
Chairman Advisory Commission,
Council of National Defense, Washington, D. C.

DEAR SIR: In pursuance of the authority given me and in order to be prepared to meet the requests made of the Advisory Commission, I have appointed the following committees: As the necessity arises and the advisability becomes apparent, I shall add from time to time, other members to these committees, always bearing in mind keeping them down to such a size that they will be workable. It has been my endeavor to appoint on these committees men of proven ability and undoubted integrity.

Leather.—Walter G. Garrit, U. S. Leather Co., Essex St., Boston, Mass.; George F. Johnson, Endicott, New York; Theodore P. Haight, American Hide & Leather Co., 92 Cliff St., New York City.

Rubber.—A. Marks, Diamond Rubber Co., Akron, Ohio; Fred Hood, Hood Rubber Co., Watertown, Mass.; Stuart Hotchkiss, General Rubber Company, 1790 Broadway, New York City.

Steel.—E. H. Gary, President American Iron & Steel Institute, 71 Broadway, New York.

Wool.—J. F. Brown, 269 Summer Street, Boston, Mass.; Sigmund Silberman, Chicago, Illinois; Joseph R. Grundy, Bristol, Penna.; F. J. Hagenbarth, President, National Association of Wool Growers, Salt Lake City, Utah.

63 *Copper.*—Ambrose Monell, President International Nickel Co., 43 Exchange Place, New York City.

Oil.—I have asked Mr. A. C. Bedfore, 26 Broadway, President of the Standard Oil Company, to serve on the committee but I shall probably add another from the Middle West whose name I have not yet determined upon, and Mr. Ed. L. Doheney, of Los Angeles, California.

Zinc.—I have in the process of formation a committee representing the zinc trade. There are certain difficulties in the way of trade jealousies which we have to smooth away. The same thing is occurring in other lines, but it will be adjusted and I shall report on them from time to time.

Coal.—I have been in consultation with the producers of coal, both bituminous and anthracite, and am now studying that situation as to the best method of covering coal.

Spruce Wood.—I have also under consideration, but have come to no conclusions, the employment through a committee of those best fitted for obtaining, for the manufacturers of aeroplanes for the government, the proper amount of spruce wood which seems to be needed.

I find a unanimous disposition among all classes of business men to join in the work we are undertaking. As a result of your committee's discussion with the Secretaries of War and Navy and the copper producers, a contract is about to be entered into between those departments and the copper producers for the copper that they state as their requirements at what your committee considers a very fair and reasonable price.

The committee is also in the process of negotiations with other producers of raw materials which are to be used for the government, such as zinc, lead, and steel products.

The committee has, at the request of Secretary Redfield, taken up the matter of increased output of cans and tin plate. The canning and tin plate people have given assurances of their active cooperation.

In studying the problems in all details, we are continually confronted with the question of transportation. We believe that one of the things the Advisory Commission should address itself to is the bettering of the transportation conditions in this country. This industry is basic to all the others.

64 There are certain raw materials which are absolutely necessary which are not produced in this country and which I think should be kept in sufficient quantities by the government itself. Among these it is of prime importance that we have a two years' supply of nitrate of soda until the artificial production of nitric acid is proven.

Rubber, none of which is produced in the United States and for which no substitute has yet been found, is another.

These are by no means the only raw materials a supply of which should be kept on hand, but are two samples that will be readily understood by all.

The committee is making a study of minerals of military importance, and would call the attention of the Advisory Commission and Council of National Defense to a recommendation which is on file with the Director of the Council entitled "General justification for amendment providing $50,000 for investigations of rare minerals useful in manufacturing munitions", and to a most valuable and detailed statement entitled "Minerals of Military Importance", compiled by the Department of the Interior, Bureau of Mines, Van H. Manning, Director. This report was compiled with the cooperation of the United States Geological Survey and the Bureau of Foreign and Domestic Commerce. I consider the report of such great value that I quote the following from it:

General Statement.—"The United States is deficient in certain minerals of great importance, particularly in war time. This deficiency may be due to actual lack of suitable ore deposits or to the fact that our deposits are low grade and more expensive to work than available foreign ores. In some cases the

imports are due to cheap freights and ballast movement and to the fact that our own deposits are far from the point of use. Where deposits exist on this continent, either in Canada or Mexico, the situation would not be so acute, although embargoes such as have been established in the present war might prove very inconvenient to our industries and our foreign trade. The remedy depends on the situation in each case. It may mean the accumulation of a reserve supply, either by the government or by private companies, the stimulation of home production by assurance of protection from competition, research to develop and cheapen processes to utilize low-grade ores, stimulation of exploration and discovery of new deposits, or development of substitutes and new uses for the various products."

Your chairman will report from time to time other committees which are in process of formation.

Very respectfully,

(Signed) BERNARD M. BARUCH,
Chairman Committee on Raw Materials, Minerals, and Metals.

65 Commissioner Coffin moved that the foregoing report be accepted, and said motion was carried.

Commissioner Godfrey stated that a three weeks' illness had delayed the work of his committee. He further stated, however, that he had deliberately made no plans until it had been decided exactly what the National Research Council was going to do in respect of the problems falling under this committee. He stated that the mobilization of Columbia University had been completed and the work being taken up by Princeton and other colleges, and that a report would later be submitted.

Chairman Willard introduced the following telegram from Dean McClellan:

The Intercollegiate Intelligence Bureau advises you that fifty of the largest and most prominent universities, colleges, and technical schools throughout the country are ready to provide the national with men of specialized training for every need which may arise in your plans for national defense.

The Director stated his knowledge of the purposes of the Intercollegiate Intelligence Bureau.

Chairman Willard introduced the following letter from Mr. W. W. Atterbury, of the Pennsylvania Railroad:

66 PHILADELPHIA, *March 19, 1917.*

MR. DANIEL WILLARD,
Chairman Advisory Commission, Council of National Defense.

MY DEAR MR. WILLARD: In connection with our conversation the other day and following out what I understand to be your general thought, what would you think of some expression from yourself, as the Advisory Member of the Committee of National Defense in charge of transportation, to the effect that an experienced railroad man would be serving the Nation and the Government just as well by doing his duty in the railroad service as he would by volunteering for active military duty? Also to have such employee so designated by a badge or button as will explain to his friends, e.c., why he has not enlisted.

The necessity for rather prompt consideration of this matter has been impressed upon me, and, in fact, a number of our junior officers feel that there is a question between their loyalty to the railroad and their loyalty to the Government, in which case they could not defend their loyalty to the railroad; while if it were publicly understood that the Government considered the railroad a very necessary branch in national defense, in which service it was extremely wise to continue the skilled workmen, then the question would not be of loyalty to the Government but as to the branch of service to which they should devote themselves.

Our officers feel quite strongly that in case of war the railroads will need their junior officers to have an organization well equipped to handle the situation, but I can readily appreciate the attitude of mind of the youngsters, who feel they might be criticized for being loyal to the railroad as against the call of their Government.

I am quite sure you will agree with me that, to be effective, a statement should originate with you, and yet not seem to be raised by the railroad, which would clarify the situation, and I am therefore taking it up with you in this personal way.

Yours very truly,

(Signed) W. W. ATTERBURY.

67 Commissioner Coffin stated that he and Commissioner Gompers were taking up the matters referred to in the foregoing letter and would shortly make report thereon. The Director asked if a man could be a reserve officer and yet remain in the employ of his company. The matter was referred to Mr. Coffin's Committee for investigation and report.

Commissioner Godfrey stated that he would as rapidly as possible make a report in connection with the raw materials necessary for the establishment and maintenance of an army of one million men.

Commissioner Coffin recommended that suggestions from members of the Advisory Commission designed to assist the President or the government should be made in writing and filed with the Director. He submitted the following memorandum as to matters for discussion and action:

1. Prevention of overt acts by aliens:
   a. Immediate mobilization of National Guards.
   b. Notify governors to post guards on bridges, munitions plants, etc.
2. Action on universal military service.
3. Recommend that plans be made in detail for raising a million men.
   a. Location of camps.
   b. Methods of recruiting so as to exclude industrial workers.
4. Recommend that War Department prepare contracts for total supplies for a million men. Profit regulation.
5. Recommend action on censorship.
6. Recommend that statement be issued to public asking munitions companies not to dispose of equipment.
7. Recommend appointment of committee on Americanization.
8. Recommend action on Red Cross' desire to become only agency for distribution of relief supplies to soldiers, etc.
9. Coordination of purchasing departments of War Department.

68 No action was taken on clauses 1 to 5, inclusive, of the foregoing memorandum, nor on clause 7. The matter referred to in clause 6 was referred to Commissioner Coffin; and that in clause 8 to Dr. Martin.

The Director read a resolution stating action desired by the Red Cross organization. It was voted that Commissioner Martin make report on said resolution to be read at the Council meeting on the following day.

Commissioner Coffin referred to clause 9 of the foregoing memorandum, and the Chairman appointed a committee composed of Commissioners Baruch, Coffin, and Rosenwald, to investigate and report to the Commission as soon as possible on the methods of the purchase of material by the Department of War.

Commissioner Baruch referred to his correspondence in connection with explosives with the E. I. Du Pont de Nemours Company, referring to a letter to himself of March 21, 1917, from the President of that company.

The Director introduced a letter from the Attorney General, dated March 15, 1917, regarding the protection of strategic points, and to an interview which he had with the Attorney General in connection with said subject. The Director also introduced copy of

a letter transmitted to him by the Attorney General from Judge Rufus E. Foster, of the United States District Court for the Eastern District of Louisiana, said letter being under date of March 5, 1917, and referring to alleged overt acts by secret agents of foreign governments in the United States, instancing possible destruction of the Mississippi levees or the waterworks system of New Orleans. The Director stated that the Attorney General informed him that there was nothing that he (the Attorney General) could do in this matter. A general discussion followed among the members of
69 the Commission as to the protection of industrial centers.

Chairman Willard directed that Mr. Gifford officially and immediately call these matters to the attention of the Secretary of War.

Commissioner Baruch introduced a memorandum dealing with the registration of aliens. Commissioner Coffin offered, and there was passed, the following resolution:

Resolved, That the Advisory Commission recommended to the Council that the systems for registration of manpower, both as to aliens and natives, now being employed by the several States of the Union, be unified and coordinated to meet the needs of the Federal Government, and that the matter be referred to the War College for execution.

The meeting thereupon (5:30 P. M.) adjourned.

Attest:

(Signed) GROSVENOR CLARKSON, *Secretary.*

70 HON. NEWTON D. BAKER,
Chairman Council of National Defense,
Washington, D. C.

DEAR SIR: The Advisory Commission, having before it public documents known as the Report of the Kernan Board, the Report of the Treat Board, and the Report of the Machine Gun Board, and having had opportunity in joint session with the Council to hear the report submitted by General Crozier, Chief of Ordnance, upon the condition of his Department, has given careful consideration to the matters referred to in the several reports mentioned.

For the purpose of assisting us in obtaining a more definite understanding of the situation, the Chief of Staff has also, at our request, furnished certain information in connection with some of the articles, such as guns, ammunition, etc., that would be needed to equip an army of one million men. That number of men has been taken as a unit, because both the Kernan and Treat reports dealt primarily with an army of that size, and further, the Advisory Commission is unanimously of the opinion that under conditions such as now exist or may exist, a force of that size is the smallest that ought to be considered in any definite plan of preparedness. The statement which was prepared by the Chief of Staff is attached to this report.

The Advisory Commission recommends unanimously that the arms, ammunition, and other articles of ordnance necessary to equip an army of one million men and to provide for the wastage of four months' active service, as shown on the attached sheet, be obtained as soon as possible. It should be borne in mind that should these supplies fortunately not be needed, they will remain a defensive asset, and would seem to afford only a reasonable insurance against unforeseen contingencies. If, however, events should make necessary the use of a considerable armed force by this country, the carrying out of the present recommendation of this Commission will be only a short step in the direction of full preparedness.

We have given consideration also to the manner in which this question should be handled, and we find our views in that respect in substantial accord with the recommendations contained in the reports above referred to, which may be briefly summarized as follows:

71 (a) Arrange to put at once all the Arsenals that are equipped for the making of rifles and artillery on full-capacity basis.

(b) Arrange with private industries for whatever supply of arms, ammunition, and equipment immediately required above the capacity of the Government Arsenals, and to that end steps should be taken to provide necessary drawings and gauges.

(c) Arrange to carry out the recommendations of the machine-gun Board concerning the procurement of the additional machine guns necessary for an army of one million men.

(d) Arrange for the early manufacture of such field guns as are necessary for the equipment of an army of the size mentioned, and which cannot be provided promptly by the plants which the Government now has in operation.

(e) Arrange at once for the manufacture of the amount of ammunition recommended by the Treat Board, and provide suitable places for storage.

(f) Arrange for the procurement of such number of range finders and field glasses as shown on the attached statement to be necessary for any army of 1,000,000 men.

(g) Arrange at once for the procurement of the necessary number of anti-aircraft guns.

The Treat Board has recommended the immediate procurement of additional articles complementary to those mentioned above. These articles are, among others, ammunition batteries, harness, tractors, trucks, truck companies, and certain signal equipment, including aeroplanes, for use in directing the artillery fire.

We have given attention above only to ordnance and ordnance supplies, and have not included personal and horse equipment and Quartermaster supplies.

Although horses are not included in any of the foregoing recommendations, the Advisory Commission considers it essential that sufficient draft animals be obtained to properly equip the vehicles procured under the recommendations.

Respectfully submitted.

(Signed) DANIEL WILLARD,
Chairman Advisory Commission.

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72 WAR DEPARTMENT,
OFFICE OF THE CHIEF OF STAFF,
Washington, March 17, 1917.

Memorandum for the Chief of Staff.

Herewith is a table showing an estimate prepared by the Advisory Commission of the Council of National Defense of ordnance supplies and ammunition that would be required of an army of 1,000,000 men. It is understood that the data for the table were furnished to the Advisory Commission by a retired officer.

The War College Division has carefully revised it and made some changes which appear in another table, also submitted herewith.

It appears that in the estimate prepared by the Advisory Commission consideration was not given to the recommendations. approved by the Secretary of War, of the Treat Board, and of the Machine Gun Board. Certain errors were found in column 2 of the table prepared by the Advisory Commission. The War College Division does not think that the supplies assumed by the Advisory Commission for four months of war are in all cases quite sufficient. The War College Division estimates that 100% will be required each year for renewal. It thinks that this estimate is conservative. The War College Division bases its estimate for field artillery ammunition upon the reports which we have received from abroad showing experience in the present European war. From these same reports it bases its estimate of the life of the different field guns as expressed in the number of rounds which can be fired by them. From these figures it deducts that for every 10,000 rounds of ammunition of a certain calibre a field gun of that calibre must be provided, and that for every 5,000 rounds of certain other calibres a field gun of one of those calibres must be provided. In other words, so long as ammunition is being provided guns must also be provided from which to fire the ammunition.

The War College Division has also made a correction in the figures of the Treat Board which is made necessary by the provision of depot batteries and battalions in the National Defense Act.

I recommend that the figures of the War College Division be transmitted to the Advisory Commission as being those which the War Department believes, in the light of the recent European experience, to be the proper ones.

(Signed) TASKER H. BLISS, *Major General,*
Assistant to the Chief of Staff.

73

WAR DEPARTMENT,
OFFICE OF THE CHIEF OF STAFF,
Washington, March 15, 1917.

Memorandum for the Chief of Staff:

Subject: Estimate of the ordnance and ammunition required upon mobilization for an army of 1,000,000 men.

1. Herewith is a communication from the Secretary of War dated March 6, 1917 (WCD 8121–78), requesting the opinion of the War College Division as to whether it thinks the estimate prepared by the Advisory Commission of the Council of National Defense overestimates or underestimates the ordnance supplies and ammunition required for 1,000,000 men.

2. The estimate needs, as shown in the estimate submitted by the Advisory Commission, do not, in all cases, agree with previous recommendations approved by the Secretary of War. For example, the approved recommendations of the Treat Board and of the so-called Machine Gun Board are not carried out.

3. The War College Division estimates that 1,000,000 men would produce the necessary organization to form 32 Infantry Divisions, 4 Cavalry divisions, and a sufficient surplus to organize the corps troops required by 12 army corps.

4. Column 2 of the table was, upon investigation, found to contain several errors.

5. The additional supplies required for four months of warfare are, in some cases, not quite sufficient. In the appended table prepared by the War College Division, it is assumed that 100% for renewal will be required each year.

6. A careful study of the expenditure of artillery ammunition, based on the most recent information from the present war, indicates clearly that the minimum output of field artillery ammunition required to conduct a war successfully must be based on the following daily allowance of ammunition per gun:

For the 3″ field guns	100	rounds per day
" " 3.8″ howitzers	100	" " "
" " 4.7″ guns	75	" " "
" " 6″ howitzers	75	" " "
" " 9.5″ howitzers	50	" " "

74 The average life of the different field guns expressed in rounds fired, is about as follows:

3″ field and 3.8″ howitzer, 10,000 rounds.

4.7″ gun, 6″ howitzer and 9.5″ howitzer, 5,000 rounds.

The above figures on the life of guns were obtained from a study of reports received from the present war and are not the result of our own experience. If they are approximately correct for our service, which is unquestionably true, our output of ammunition and of field guns should be organized so that for every 10,000 rounds of 3″ or 3.8″ ammunition manufactured, one 3″ field gun or 3.8″ howitzer should also be completed, with a corresponding relation between the production of 4.7″ guns, 6″ howitzers, 9.5″ howitzers, and the ammunition for their use.

The Treat Board, in its figures, did not include a sufficient number of batteries for the equipment of the depot batteries and battalions authorized by the National Defense Act of June 3, 1916. These units should unquestionably be organized as soon as possible, and the equipment for them is included in that required for the first four months. One depot battery per regiment is estimated for. It is also estimated that at least 10% maintenance will be required in addition to the above.

The details of the estimate as to the number of batteries required during the first four months are as follows:

	3″ Field	3.8″ Howitzer	4.7″ Gun	6″ Howitzer	9.5″ Howitzer
Depot batteries	68	32	15	15	15
Maintenance for Tread Board Equipment	45	21	11	11	11
Number of guns required to maintain supply at front (replacement of wornout guns)	539	253	189	189	126
Total, 4 months	652	306	215	215	152

7. It should always be remembered that although the cost of the original equipment for one million men may seem excessive, in fact nearly prohibitive, it will only represent a small percentage of the maintenance cost in the field. The important problem before this country, will be how to organize its industrial resources so that the supplies required can be produced as rapidly as needed and in the proper proportions.

8. Table showing arms and ammunition required is inclosed.

JOSEPH E. KUHN, *Brigadier General.*

75 [Corrected copy of statement A—Statement B prepared from original statement A]

Arms needed to equip an army of 1,000,000 men, organized into 22 Infantry and 4 Cavalry divisions, and Army corps troops sufficient for 12 Army corps

	Required on mobilization 1	In hands of troops, in storage and under manufacture and appropriation for Mar. 7, 1917 2	To be supplied 3	Additional to be supplied for four months' warfare 4
Rifles, Cal. .30, complete with bayonet and scabbards	1, 500, 000	[1] 690, 000	810, 000	250, 000
Pistols, Cal. .45	600, 000	165, 000	435, 000	100, 000
Pistols, magazine extra	1, 200, 000	330, 000	870, 000	200, 000
Machine guns	[2] 17, 283	[2] 6, 031	11, 252	5, 761
Rifle cartridges, Cal. .20	3, 270, 000, 000	[4] 321, 000, 000	2, 949, 000, 000	2, 250, 000, 000
Pistol cartridges, Cal. .45	95, 760, 000	[4] 33, 000, 000	62, 760, 000	90, 000, 000
Grenades, Rifle	1, 136, 000	126. 000	1, 010, 000	1, 136, 000
Grenades, Hand	1, 136, 000	126, 000	1, 010, 000	1, 136, 000
3-inch Field Gun Batteries	432	215	219	652
3.8-inch Howitzer Batteries	201	42	150	306
4.7-inch Gun Batteries	105	24	81	215
6-inch Howitzer Batteries	105	24	81	215
9.5-inch Howitzer Batteries	105	23	82	152
3-inch Field Gun Ammunition	4, 037, 698	[5] 1, 541, 120	[6] 2, 496, 568	21, 552, 000
3.8-inch Howitzer Ammunition	1, 696, 320	[5] 318, 422	[6] 1, 377, 898	10, 128, 000
4.7-inch Gun Ammunition	711, 984	[5] 112, 401	[6] 599, 583	3, 780, 000
6-inch Howitzer Ammunition	531, 216	[5] 63, 185	[6] 468, 031	3, 780, 000
9.5-inch Howitzer Ammunition	158, 712	[5] None	[6] 158, 712	1, 260, 000
Range finders, Infantry and Cavalry	2, 082	575	1, 507	694
Glasses, Field, Type EE	50, 000	850	49, 150	25, 000
Anti-Aircraft Batteries	64		64	64

[1] Does not include 33,000 rifles in Philippine Islands.
[2] Recommendation of Machine-Gun Board, approved by Secretary of War.
[3] Includes 356 Lewis guns, 665 Benet, 288 Maxims, old model, and 4,725 new model Maxims contracted and appropriated for.
[4] Does not include ammunition in Philippine Islands.
[5] $6,310,000 have not been allotted and converted into ammunition.
[6] From the total cost, $6,310,000 should be deducted. Ten percent should be added to cost of all batteries for additional spare parts, etc.

75a *Arms needed to equip an army of 1,000,000 men, organized into 32 Infantry and 4 Cavalry Divisions, and Army Corps troops sufficient for 12 Army Corps*

	1 Men armed	2 Required on mobilization	3 In hands of troops and in store	4 Under manufacture	5 To be supplied	6 Additional to be supplied for four months' warfare	7 Total to be supplied	Remarks
Rifles, Cal. .30, complete with bayonet and scabbards.	687,585	1,500,000	615,000	75,000	810,000	250,000	1,060,000	75,000 rifles are to be completed by October 1917
Pistols, Cal. .45	466,160	600,000	100,000	65,000	435,000	100,000	535,000	
Pistols, magazines extra		1,200,000	200,000	130,000	870,000	200,000	1,070,000	
Machine guns		[1] 17,283	1,306	4,125	11,952	5,761	17,613	4,000 to be completed by Nov. 16/17, 125 to be delivered by May 1/17. Money has been appropriated for 600, but is held by order of the Sec. of War to await result of tests by Board, May 1, 1917.
Rifle cartridges, Cal. .30		3,270,000,000	181,000,000	140,000,000	2,949,000,000	2,250,000,000	5,199,000,000	140,000,000 to be completed by Sept. 30/17.
Pistol " " .45		95,760,000	3,000,000	30,000,000	62,760,000	90,000,000	152,760,000	15,000,000 being made and 15,000,000 being purchased.
Grenades, Rifle		1,136,000	1,000	76,148	1,058,852	1,136,000	2,194,852	13,648 to be completed Apr. 1, 1917, 62,500 by Sept. 1, 1917.
Grenades, Hand		1,136,000		105,000	1,031,000	1,136,000	2,167,000	105,000 to be completed by Oct. 31/17.
3-inch Field-Gun Batteries		449	133	80	236	652	888	20 Batts. to be completed Apr. 1/17. 20 Batts. to be completed Apr. 1/18.
3.8-inch Howitzer Batteries		211	7	8	196	306	502	40 Batts. to be completed June 30/18.
4.7-inch Howitzer Batteries			25	2		2		8 Batts. to be completed June 30/18.
4.7-inch Gun Batteries		105	10	13	82	215	297	To be completed Apr. 1, 1917.
6-inch Howitzer Batteries		105	8	15	82	215	297	4 Batts. to be completed Apr. 1/17. 9 Batts. to be completed June 30/17 2 Batts. to be completed June 30/17.
9.5-inch Howitzer Batteries		105	0	23	82	152	234	13 Batts. to be completed June 30/15. 10 Batts. to be completed Dec. 30/18. 13 Batts. to be completed Apr. 30/19.
3-inch Field-Gun Ammunition.		3,250,332	631,871	909,249	1,709,212	21,552,000	23,261,212	
3.8-inch Howitzer Ammunition.		1,620,803	29,546	41,816	1,549,441	10,128,000	11,677,441	
4.7-inch Howitzer Ammunition.			28,270	218,790				
4.7-inch Gun Ammunition		688,633	22,838	89,563	576,232	3,780,000	4,356,232	
6-inch Howitzer Ammunition		509,891	22,634	40,551	446,706	3,780,000	4,226,706	
9.5-inch Howitzer Ammunition.		158,712			158,712	1,260,000	1,418,712	
Range finders, Infantry and Cavalry.		2,082	475	100	1,507	694	2,201	100 to be delivered by June 30/17.
Glasses, Field, Type EE		50,000	2,871	16,000	31,129	25,000	56,129	250 delivered per week. 750 delivered per week after June 30th.
Anti-Aircraft Batteries		64			64	64	128	
Est. cost					$321,524,525	$1,414,599,394		
Aggregate Est. cost							$1,736,123,919	

[1] Recommendation of Machine-Gun Board, approved by Secretary of War.

76 MARCH 31, 1917.

Mr. DANIEL WILLARD,
Baltimore, Md.

MY DEAR MR. WILLARD: I attended a meeting yesterday in Washington, in the office of the Secretary of War, and was duly sworn in as a member of the so-called "Standardization Committee." That portion of the work of this committee assigned to me, while yet to be clearly stated in a letter, appears to be field guns, coast-defence guns, and other large calibre weapons of the army and the ammunition therefor.

It might be said the chief thing accomplished at this meeting was the organization of the Committee itself, the representative of the Navy as well as the Army being present.

I was astonished at the manner in which these departments are treated by the Government in view of the exceedingly great difficulties encountered in performing rapid and effective work. The situation, if correctly stated, would mean the ruination of any manufacturing establishment and could not be tolerated at all.

I also wish to advise you the British Government has further reduced the number of rifles to be manufactured at the Eddystone rifle plant, which will enable the entire contract to be cleaned up by the first of June.

Inasmuch as the machinery in this plant will become the property of the British Government there is great danger that it may be removed and shipped out of the country, thus destroying one of the most dependable rifle manufacturing plants in the world. It is my judgment that the United States Government should immediately take measures to secure control of this plant, purchasing as little of its equipment as possible in order that its capacity for the emergency apparently ahead of us could be relied upon.

I also turned over to Colonel Babbitt, of the War Department, an Enfield rifle adjusted to shoot the American standard ammunition such as is used in the Springfield rifle. The change necessary in the British Enfield rifle to do this is not very great and could be accomplished without any apparent delay or cessation in the delivery of this style of rifle. If we are to have war we certainly should adopt this weapon, changed as mentioned above, to handle American standard ammunition rather than to endure the delay that would be caused by adherence to the Springfield type weapon. Unless steps are taken at once to secure this factory, which can be done without any large expenditure, I am afraid it will melt away like ice in a summer's sun.

Cordially yours,

(Signed) SAMUEL VAUCLAIN.

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77 "I"

Hon. NEWTON D. BAKER,
Chairman Council of National Defense,
Washington, D. C.

DEAR SIR: The Advisory Commission feels that it would be delinquent in its duty to the Council of National Defense if it did not at this time bring to the attention of the Council certain matters which we deem of great importance, together with such definite recommendations in connection therewith as represent the views of the Commission.

In a message addressed by the President of the United States a few days since to the railway executives and to the chiefs of the four brotherhoods, which message was made public through the press, the following words were used:

"I deem it my duty and right to appeal to you at this time of national peril to open again the questions at issue between the railroads and their operatives with a view to accommodation or settlement. * * * It is now the duty of every patriotic man to bring matters of this sort to immediate accommodation. The safety of the country against manifest perils affecting its own peace and the peace of the whole world makes accommodation absolutely imperative and seems to me to render any other choice of action inconceivable."

The language above quoted serves to emphasize the feeling which seems to be general in the public mind, that a grave and even immediate crisis is confronting this nation. We find confirmation of this concern on the part of the public, not only in the columns of the daily press, but also in the great number of inquiries, written and otherwise, received by the several members of this

Commission, asking what is being done to protect the Nation against possible and suggested contingencies.

We have discussed this matter as a Commission and have given it our serious consideration and we desire to submit most respectfully the following recommendations:

78 (a) That there should be organized, trained and fully equipped, as soon as possible, an army of at least 1,000,000 men.

(b) That the Navy should as soon as possible be brought up to its full authorized war strength, and provided with sufficient reserve supplies of all character.

(c) That as soon as possible, and certainly before any pronouncement which might be construed as indicating the existence of a state of war, steps be taken to properly guard and protect all important bridges, tunnels, ferries, arsenals, and activities of any kind vital to the security or welfare of the Nation.

(d) That some definite and comprehensive policy be adopted which will enable this Commission or some other body to cooperate with the people of the several States towards the coordination of the activities which they are starting independent of the Federal Government for the purpose of local preparation and defense. The activities which we have in mind are well illustrated by the organization of the Committee of Public Safety in the State of Massachusetts. Similar movements are being considered and in fact are under way in Pennsylvania, Maryland, and Connecticut, of which we have definite knowledge, and consideration is being given to the same matter in numerous other States, and we are of the opinion that unless these efforts can be coordinated and directed by the Federal authorities, it may develop that the work which the States are undertaking, may not, and probably will not, coordinate with the program of the Federal Government when finally adopted, and may, and very likely will, fail to produce the immediate results that are hoped for by those who are giving their time and money in support of such movements.

The people of the country, as we see it, are very deeply concerned over the possibilities that might develop following the declaration of a state of war in the United States. They are looking to and waiting for the Council of National Defense to direct their efforts, and to take such other steps as may be necessary to provide for the security of the Nation.

We feel very deeply impressed by the responsibility which rests upon us in this grave situation, and we feel that you are entitled not only to know our general views, but to have as well our definite recommendations. We appreciate that we may be misinformed, or more probably uninformed, concerning the real state of the Nation, with reference to the matter of preparedness, and that the fears which we entertain and the recommendations which we have made, may not in fact be justified, and nothing could give us greater personal satisfaction and relief than to have such assurance from you. We feel also

79–80 that the public, which is very deeply concerned in this matter, and which so far has been willing to leave the question entirely in your hands, should also receive some assurance either that sufficient and definite steps to protect them against possible contingencies, have actually been taken or are about to be immediately inaugurated.

We bring this matter before you with the full realization that under the law this Commission is certainly not definitely charged with responsibility in these matters. We do not seek to initiate or direct policies which may have been decided upon and worked out by those who by official appointment are a part of the Administration. We wish rather to lay before you for your information and consideration our innermost thoughts and fears concerning the serious situation which we believe confronts the country, because we would feel condemned by our own conscience and sense of responsibility if we failed to do so.

Respectfully submitted.

(Signed) DANIEL WILLARD,
Chairman, Advisory Commission.

81 Minutes of Meeting of the Advisory Commission of the Council of National Defense, March 24, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on March 24, 1917, at 3:00 o'clock p. m., at the offices of the Commission. There were present all mem-

bers of the Commission except Commissioner Gompers. The Director and the Secretary were in attendance.

The Director read the following resolution, which has been passed by the Council, and explained in detail what it was about:

Whereas experience in the European countries now at war has shown that proper national defense demands that domestic commerce be carried on by a minimum of workers and the least possible capital; Be it

Resolved, That the Council of National Defense herewith establish a subordinate body of five members to be known as a "Commercial Economy Board", the duties of said Board being to investigate and advise in regard to the economic distribution of commodities, so as to conserve both capital and personnel for the national defense; be it further

Resolved, That the Director of the Council submit to the Council a list of persons specifically qualified to serve on said Board.

It was voted that the Advisory Commission adopt the foregoing resolution.

The Director discussed the matter of the food committee as taken up at the Council meeting on the morning of the same day, stating that the Council desired said committee under its direction. The Commission recommended that Dr. Godfrey sit as a member
82 of that committee. The matter was finally referred to Commissioner Rosenwald's committee to report back to the Commission as to the proper action to take.

The Director asked the Commission if it wished to take up the matter of a censorship of Federal news. He rehearsed the action taken by him to date, referring to statements made to him by correspondents returning from Europe and to written statements procured by the Secretary. It was voted that the Director present a plan for a proper Federal censorship of the press at the next meeting of the Commission.

The Director introduced a letter, of date March 21, 1917, from Miss Frances A. Kellor, Assistant to the Chairman of the Immigration Committee of the Chamber of Commerce of the United States, concerning Americanization. Chairman Willard questioned if the Advisory Commission should take the matter up at all. It was voted that it be referred to Mr. Coffin's committee for report.

Commissioner Martin moved for a complete report on and analysis of Dr. Godfrey's investigations in connection with the officer's reserve corps at the next meeting of the Commission. It was so voted.

Commissioner Coffin raised the point as to whether or not the Commission should instruct the Director to confer with the proper Congressional Committees on the question of regulation of profits. It was voted that Mr. Gifford take the matter up with the Secretary of War, with a view to reference to the Federal Trade Commission.

Commissioner Rosenwald referred to the wish of the representatives of the cotton-duck industry, with whom he was dealing, to have some official status. The Director pointed out that Mr. Rosen-
83 wald could appoint such persons on committees, precisely as Mr. Baruch had appointed persons in other industries.

Thereupon, at 4:05 o'clock p. m., the meeting adjourned.

Attest:

(Signed) GROSVENOR CLARKSON,
Secretary.

84 Minutes of Meeting of the Advisory Commission of the Council of National Defense, March 30, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on March 30, 1917, at 12:30 o'clock p. m., at the offices of the Commission. There were present Chairman Willard, Commissioners Gompers, Martin, and Rosenwald, and the Director and the Secretary.

Chairman Willard referred to a recent talk he had had with Mr. Stettinius of J. P. Morgan & Company, and with several representatives of the British Government. He read the following memorandum which he had prepared for submission to the Council:

The Advisory Commission, in conference yesterday, gave serious consideration to some of the problems which seem likely to arise in case there should be war between this country and Germany, and in that connection we desire to submit to the Council for its consideration the following observations:

Coincident with the recognition of a state of war between this country and Germany, our interests to a large extent will become identical with those of the Allies, and will be best served by their success, and we ought, therefore, to ascertain by early and proper conference wherein the Allies are most vulnerable, in order that we may most effectively strengthen and assist them.

Our inquiries lead us to believe that the unrestricted submarine campaign, which was started the 1st of February, has so far resulted in the destruction of approximately 450,000 tons of shipping each month, and we are further advised that approximately an equal amount of new tonnage has been provided, so that the situation at the end of two months remains substantially as it was at the beginning of the campaign.

It is of vital importance that the existing amount of ocean transport should not be further reduced, because if Germany should succeed in isolating England, the cause of the Allies would be lost no matter how effective they might
85 be in other directions; consequently it is important that we should be prepared to do everything possible to meet the submarine menace either by strengthening the forces that are actually contending with the submarine or by stimulating the production of tonnage to replace that which may be lost.

The Shipping Board, we are advised, is considering the construction of a large number of wooden vessels of 3,000 tons capacity and hopes in that way to afford substantial relief to the situation. Without expressing any opinion as to the commercial aspects of this venture, we are in full accord with any plan as a war measure which will increase quickly, as this plan is expected to do, the ocean-carrying tonnage, and which will not restrict or unduly interfere with other necessary and important activities. We believe, however, that every effort possible should also be made to increase the output of the shipyards now engaged in the building of steel vessels, and we think that more can be done in that direction than is now being accomplished. We believe also that it may be possible to make better use of existing tonnage. We refer particularly to such bottoms, among others, as are now engaged in the coastwise trade carrying tonnage that might otherwise be handled by the railroads. We think the ships now in such trade, and which are suitable for trans-atlantic service, should be assigned to such service as soon as possible and that the railroads should arrange to handle the additional tonnage which may be thrown to them on that account.

Second only in importance to the ocean transport is the matter of inland transport, and the railroads should be urged to put themselves in condition to handle an enlarged volume of traffic, and they should give consideration, if necessary, to the readjustment of schedules and the possible reduction of train service where such reduction may be practicable.

We are told unofficially that the present aeroplane equipment of the Allies is insufficient and that they could make good and effective use at this moment of 5,000 more air machines and 50,000 pilots, and we believe that immediate and vigorous efforts should be made to increase the output in this country of standardized machines suitable for war conditions as they exist in Europe and that definite steps should also be taken to form and train a sufficient number of men to operate them.

31252—36—No. 8——4

Next in importance in case of war is the matter of increasing our own stock of guns and ammunition, but we should see to it that nothing that we do in that direction is permitted to interfere with the constant flow of similar material to the Allies in Europe, and in order that the necessary requirements of both may be met we believe that the time has arrived when we should give serious consideration to the establishment by this Government of what might be called a
86 Bureau of Production and Distribution, something, in fact, analogous to the Ministry of Munitions in England. The function of this Bureau should be to take charge in a general way of all purchases for all departments of the Government, and in order that that matter may be so handled as to best coordinate with the efforts of those who may be our Allies we believe that there should be established as a part of the Bureau a Priority Committee, which should pass upon the relative importance of all work to be done by our manufacturing plants. The Act establishing the Council of National Defense seems to be sufficiently broad to provide for the creation of such a Bureau, and, if desired, the Advisory Commission will be glad to undertake the development of a general plan of organization. The Commission is firmly of opinion that such a department should be established coincident with the declaration of a state of war. By such action much time and effort will be saved that otherwise would be wasted and dissipated, as was the case in England in the early stages of the war. The Advisory Commission has already made sufficient study of the situation to justify the belief that the program which it suggests can be inaugurated without delay or serious disturbance of the domestic affairs of the Nation.

We believe further that it should be recognized at once that many activities such as ordinarily go on in time of peace will have to be discontinued or very largely curtailed during a state of war. We refer particularly to the manufacturing of what may be termed luxuries, as well as the construction of new buildings, viaducts, and improvements of various kinds which might properly be desired, if not actually needed, in time of peace, but which should certainly give way in a state of war to matters of more vital importance. We believe it will be necessary to adopt such a policy, not only for the better conservation of the raw materials, but also in order that the entire supply of labor may be available for work more vital to the welfare of the Nation.

In view of the possible contingencies of the future, it seems important that careful consideration should be given to the design of guns and ammunition which we may conclude to manufacture or purchase in large quantity for our own armies. The fact should not be overlooked, that a large number of manufacturers in this country are already equipped with a trained force and with gauges, jigs, and other accessories for quantity production of arms and ammunition such as now being used with effective results by the armies in Europe. Much time will be lost and much money will be spent in making the new gauges, jigs, and tools necessary for the production of our standard guns and ammunition which may vary in some cases by only a few thousandths of an inch from the standards now in use by the Allies. It should be kept in mind that war at the present time is quite as much a matter of transportation and production in the workshops as of strategy upon the battlefield and
87 nothing should be done which will in any way unnecessarily restrict production, but on the contrary everything should be yielded that properly can be, to stimulate and increase production.

The efficiency of operation of the Trans-Siberian Railway in Russia may become a determining factor in the war, and we cannot evade, if we would, such responsibility as may rest upon us in that connection.

It was moved by Commissioner Gompers, and so voted, that the Director take up with the Secretary of War the matter of obtaining seats on the floor of the House of Representatives for the members of the Advisory Commission to attend as a body the President's pending address before Congress.

Whereupon, at 1:00 o'clock p. m., the meeting adjourned to reconvene at 3:00 o'clock, p. m.

The Meeting Reconvened at 3:00 o'Clock P. M.

There were present Chairman Willard, Commissioners Coffin, Martin, Rosenwald, and Gompers, and the Director and the Secretary.

Chairman Willard re-read for Commissioner Coffin's benefit his memorandum hereinbefore set forth in the minutes of the morning session.

Commissioner Gompers, who was obliged to leave, stated before his departure that he would endorse whatever action was taken by the Commission with regard to a Board of Purchase.

The following resolution was adopted for recommendation to the Council:

Resolved, That the Secretary of War, as Chairman of the Council of National Defense and under authority of the Act of August 29, 1916, "For the coordination of industries and resources for the national security and welfare", and under the specific authority in the Act, which provides for the appointment of "Subordinate bodies", shall appoint a Purchasing
88 Board, Council of National Defense, to be composed of Army and Navy Department heads or officers appointed by them and representatives appointed by the Advisory Commission, the purpose being to coordinate the buying of the several departments; assist in the acquirement of raw materials and manufacturing facilities; the establishing of precedence of orders, etc., including the ordinary commercial and industrial needs and the military requirements of the nation. Such committee shall have no authority at this time to issue purchase orders, make contracts, or bind the Government in its purchases; all these things to be done, as at present, by the respective departments. The Chairman of the Committee, however, shall have authority to require, when necessary, that certain (conflicting) purchases be not made until the same, with a full statement of the facts, have been submitted to the Secretary of War or Navy.

For the purpose of securing joint representation of the War and Navy Departments and the Advisory Commission of the Council of National Defense, in coordinating the munitions work of these three bodies, the committee shall be presided over by a Chairman, who shall be an appointee of the Chairman of the Council of National Defense.

The Army Departments shall be represented by appointees (officers) of Department Chiefs as follows: Ordnance, Quartermaster's Department, Engineer Corps, Signal Corps, Medical Corps, General Staff (War College).

The Navy Department shall be represented by appointees of Department Chiefs as follows: Ordnance, Bureau of Construction and Repairs, Medicine and Supplies, Marine Corps, Supplies and Accounts, Steam Engineering, Yards and Docks.

The Advisory Commission of the Council of National Defense shall be represented in the membership of the committee by appointees of Messrs. Baruch, Coffin, Rosenwald, and Martin.

Meetings shall be held daily and each department, so far as may be required, shall submit its purchasing orders for comparison and for clearing.

The Committee shall use in its work all the information as to the sources of material supply, manufacturing facilities, potential ability of manufacturing plants, experience of manufacturers in munitions production, etc., now on file in the War and Navy Departments and with the Council of National Defense.

The Advisory Commission recommends that the plan be adopted with the understanding that it is a war measure which may prove inadequate for the larger needs which may develop if war is declared. It feels, however, that for the sake of coordinating the Army and Navy, that the Chairman of the proposed Purchasing Board should be a civilian.

The Commission further recommends strongly the immediate increase in the personnel of such departments of the Army and Navy concerned with purchasing as are now undermanned.

89 William Denman, Chairman of the United States Shipping Board, appeared before the Commission at 5:15 o'clock p. m. and gave his views on the construction of wooden vessels.

The Director introduced the following documents concerning the construction of an emergency fleet of wooden vessels, which are filed as a part of the minutes:

(a) A letter, of date March 27, 1917, from the Secretary of War to the Director of the Council.
(b) A letter, of date March 26, 1917, from the President of the United States to the Secretary of War.
(c) A letter, of date March 21, 1917, from the Chairman of the United States Shipping Board to the President of the United States.
(d) A memorandum entitled "Proposal of the Shipping Board for Rapid Emergency Construction of Wooden Ships, under Sections 5, 7, and 11 of the Shipping Act", which accompanied the aforesaid letter.
(e) A letter, of date March 24, 1917, from the Chairman of the United States Shipping Board to the President of the United States.
(f) A clipping from the New York City "Morgen Journal", which accompanied the aforesaid letter.
(g) A translation of the aforesaid clipping.
(h) Extracts from speech of Mr. Lloyd George, February 23, 1917.

Thereupon it was voted that Chairman Willard report to the Council the document read by him, and hereinabove set forth, with the statement that the recommendations made had the approval of the Advisory Commission.

Chairman Willard outlined to Commissioner Coffin the discussion had at the morning session of the Commission, particularly in
90 respect of munitions, and Mr. Coffin stated that he thoroughly acquiesced in the plan as outlined.

Thereupon, at 6:15 o'clock p. m., the meeting adjourned.

Attest:

(signed) Grosvenor Clarkson, *Secretary.*

91 Minutes of Special Meeting of the Advisory Commission, April 2, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at 4:30 o'clock P. M., April 2, 1917. Chairman Willard and Commissioner Gompers were absent. The remainder of the Commission, as well as the Director and Secretary, were present.

It was moved and carried that Commissioner Baruch act as Chairman.

The following resolution, on Commissioner Coffin's motion, was adopted:

Whereas there have come to the Advisory Commission of the Council of National Defense many urgent reques s and recommendations from responsible newspaper and magazine editors and publishers, including Roy W. Howard, President United Press Assoc'ations; Courtland Smith, President American Press Association; Arthur Page, Editor World's Work; Mark Sullivan, Editor of Collier's Weekly; Edgar J. Criswell, Executive Manager National Periodical Association; Frederick Palmer, the war correspondent; William Hard, the special writer; Pomeroy Bur'on, Business Manager for the chain of English newspapers owned by Lord Northcliffe, that in the event of war it will be vitally necessary that there shall be set in motion a unified, workable, wise, and, insofar as possible, democratic Federal censorship of the Press; and

Whereas the Advisory Commission, with full realization of the highly important nature of this matter, touching so intimately both the government and people of the United States, and seeking to crystallize thought and action therein:

Resolves, That the Advisory Commission recommend, and it does hereby recommend, to the Council of National Defense that the Council forthwi h appoint a committee which shall meet at Wash'ngton at the earliest possible moment and there confer to the end of submi'ting to the Council a plan for the establishment and maintenance of a Federal Censorship of the Press; and it further

Resolves, That the Advisory Commission recommend, and it does hereby recommend, to the Council of National Defense that the personnel of said committee shall be composed of Melville E. Stone, General Manager Assoc'ated Press; Roy W. Howard, President United Press Associations; Fred J. Wilson, General Manager International News Service; Mark Sullivan, Editor
92 Collier's Weekly; Albert Shaw, Editor The American Monthly Review of Reviews; James Keeley, of the Chicago Herald; and Clark Howell, of the Atlantic Constitution; and it further

Resolves, That the Advisory Commission recommend, and it does hereby recommend, that said proposed committee confer with the proper representatives of the State, War, and Navy Departments in developing its plan.

The Director introduced a letter of the Secretary of War of April 2, 1917, transmitting a letter to the Secretary from the Speaker of the House of Representatives, stating the Speaker's inability to obtain seats for the Council and Commission on the floor of the House to hear the President address the Congress on April 2.

It was moved and carried that Commissioner Martin be authorized to increase the personnel of his committee.

Commissioner Godfrey reported that technical analyses prepared by him were being examined by those concerned in the matter. In response to a request from Commissioner Martin in a previous meeting, Commissioner Godfrey exhibited a chart in connection with the officers' reserve corps.

Commissioner Coffin stated that munition matters in connection with his committee were proceeding satisfactorily and that he would make formal report at next meeting. He referred to the necessity of acting on the cancellation of enemy patents in the event of a state of war.

It was moved by Commissioner Coffin that the matter of including the Surgeon General of the Army in the General Staff be referred to Commissioner Martin for further report. Carried.

There ensued a discussion as to the price at which material should be bought by the government, and the Director read a statement in connection therewith submitted by the Federal Trade Commission, as well as a statement from the Committee of the American Institute of Accountants.

Thereupon, at 6:45 P. M., the meeting adjourned.

Attest:

(Signed) Grosvenor Clarkson, *Secretary.*

93 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, April 3, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at 3:20 o'clock P. M., on April 3, 1917, at the offices of the Commission. There were present all members of the Commission except Chairman Willard and Commissioner Gompers. Commissioner Baruch presided. The Director and the Secretary were in attendance.

Commissioner Rosenwald moved that the members of the Commission be furnished with copies of the minutes of the joint meetings of the Council and the Commission, and of the Commission. Carried.

The minutes of the previous meeting of the Advisory Commission were read and approved.

It was moved that the matter of pooling railroad cars be referred to Chairman Willard's committee.

It was moved and carried that the matter of establishing state service commissions be referred to Commissioner Coffin for report, said report to include draft of letter to be sent to the Governors of the States.

The Director read a letter of April 2, 1917, to him from the Secretary of War transmitting a letter of the President of March 31, 1917, enclosing memoranda raising the point why officers representing the unions should receive commissions from the Federal Government. The matter was referred to Commissioner Gompers.

It was moved and carried that hereafter, owing to the pressure of work upon the Secretary, that there be appointed an Assistant Secretary to take the minutes of meetings of the Advisory Commission.

The meeting thereupon adjourned at 5:15 P. M.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

94 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, April 4, 1917

A special meeting of the Advisory Commission of the Council of National Defense was held at 4:00 P. M., Wednesday, April 4, 1917, at the offices of the Commission. The following were present: Commissioners Baruch (presiding), Coffin, Godfrey, Martin, Rosenwald, and the Director. Also Dr. Simpson and Mr. L. L. Summers. Through inadvertence, Commissioner Gompers was not notified of the special meeting in time to permit his attendance. Chairman Willard was absent.

Commissioner Martin read a letter of Mr. F. A. Scott, Chairman of the Munitions Standards Board of the Advisory Commission, of date of April 4, 1917, urging that immediate action be taken to authorize the expansion of the official personnel, as well as the clerical and other similar forces of the Departments of the Army and Navy, on a basis adequate to meet present changed conditions.

Commissioner Martin moved that the subject matter of said letter be referred back to Mr. Scott, with the recommendation that he appoint a committee to investigate and report to the Advisory Commission specific recommendations therein to be made to the Council. Carried.

Commissioner Martin read for the information of the Commission the names of the appointees for the General Medical Board of the Council of National Defense; the text of a letter addressed to each of said appointees by Commissioner Martin, and of a telegram sent each by the Secretary of War, inviting his acceptance; and the names of such appointees as have accepted to date. It was directed that these said documents be filed.

95 Dr. Simpson outlined the need of the services of an executive secretary to assist in the organization and dispatch of the rapidly expanding work of the Medical Department and asked that he be authorized to employ Mr. Curtis E. Lakeman in that capacity at a salary of $4,000 per annum, stating that Mr. Lakeman offered his services temporarily without compensation, pending his possible permanent employment. There ensued a general discussion of the necessity for expansion in all the work of the Advisory Commission. It was the sense of the meeting that the matter of Mr. Lakeman's employment, as well as further discussion of the subject of general expansion, be deferred until such time as Chairman Willard could be present and participate.

As a result of the Council's action taken at its meeting of April 3, 1917, in reference to industrial and technical cooperation between the Government of the United States and foreign governments, it was directed that Commissioner Coffin report to the Commission as soon as practicable on a complete and definite plan therefor, to be submitted to the Council.

Commissioner Coffin read a report which he had already prepared and stated that in his opinion said report should be acted upon immediately, and further stated that he wished it in the record that he advocated immediate action in the matter.

Commissioner Godfrey stated that he would immediately interview General Kuhn, of the War College, and find out what information was available there as to foreign conditions and experience.

Commissioner Coffin moved that the Advisory Commission recommend to the Council that some statement be given out by the Chairman of the Council as to the exclusion from voluntary service of the skilled workers needed in industrial activities. Carried.

96 Commissioner Baruch directed that the minutes show that the Commission had consumed the entire afternoon in a discussion of price fixing, particularly with reference to control of food supply, grain, cotton, wool, and raw materials generally, as affecting not only the military and naval forces but the civilian population.

Thereupon, at 6:30 P. M., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

97 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, April 6, 1917

A special meeting of the Advisory Commission of the Council of National Defense was held at the offices of the Commission at 10:20 A. M., Friday, April 6, 1917. All members of the Commission were present except Chairman Willard and Commissioner Baruch. Commissioner Martin presided.

Mr. Thomas C. Spelling, of New York, explained to the Commission certain patents owned by him, which he offered for the use of the Government at a merely nominal royalty such as would protect his patent rights.

Commissioner Gompers moved that, without passing upon the merits of the aforesaid patents, the Commission record its opinion that a consideration of such matters is not within the purview of the Commission's duties. Carried.

Commissioner Gompers read and submitted for his committee the following report:

As previously reported to the Commission, there was held in the office of the American Federation of Labor, on April 2, a conference at which there were approximately one hundred and fifty representatives of labor, of employers, of business men, scientists, doctors, students, and those who have given attention to the conservation of the health and welfare of workers. The session lasted from eleven in the morning until midnight. The entire gamut of the subject was discussed, nearly all participants presenting some thought or subject.

The undersigned, as Chairman of the Committee on Labor, Conservation of Health, and Welfare of Workers, was requested to appoint an executive committee, which authority was exercised, and the committee named appears upon the list attached hereto.

At midnight on Monday the executive committee held a session, at which it was decided to hold a meeting, beginning at ten o'clock Thursday morning, April 5. At that meeting the various suggestions and propositions were considered, and I am authorized by the committee respectfully to submit for
98 your approval and for the approval of the Council of National Defense the attached recommendations. I trust that the proposals and suggestions contained herein may receive the approval of the Commission and the Council.

It should also be stated that the committee selected as assistant to the chairman Mr. Ralph M. Easley, and also as temporary secretary of the committee, Miss Gertrude Beeks.

I was authorized to recommend to the Advisory Commission and to the Council of National Defense the publication by the Department of Labor of the British reports which have already been received in this country and those which are likely to come, bearing upon the subjects which have been referred to the labor committee.

Very respectfully,

(Signed) SAMUEL GOMPERS,
Chairman Committee on Labor.

EXECUTIVE COMMITTEE, COMMITTEE ON LABOR AND CONSERVATION OF HEALTH AND WELFARE OF WAGE EARNERS

Chairman, Samuel Gompers, President American Federation of Labor, Washington, D. C.

Hon. Wm. B. Wilson, Secretary of Labor, Washington, D. C.

Everit Macy, President National Civic Federation, New York City.

James Lord, President Mining Department, American Federation of Labor, Washington, D. C.

Elisha Lee, General Manager Pennsylvania Railroad Co., Philadelphia, Pa.

Warren S. Stone, Grand Chief International Brotherhood of Locomotive Engineers, Cleveland, O.

Frank Morrison, Secretary American Federation of Labor, Washington, D. C.

Lee K. Frankel, Third Vice President Metropolitan Life Insurance Company, New York City.

James O'Connell, President Metal Trades Department, American Federation of Labor, Washington, D. C.

J. Parker Nevin, National Association of Manufacturers, New York City.

Louis B. Schram, Chairman Industrial Accident Prevention Dept., National Civic Federation, New York.

99 RECOMMENDATIONS ADOPTED AT MEETING OF EXECUTIVE COMMITTEE, COMMITTEE ON LABOR, CONSERVATION OF HEALTH, AND WELFARE OF WORKERS, SAMUEL GOMPERS, CHAIRMAN

The defense and safety of the nation must be the first consideration of all patriotic citizens. To avoid confusion and to facilitate the preparation for national defense and give a stable basis upon which the representatives of the Government may operate during the war, we recommend:

1. That the Council of National Defense should issue a statement to employers and employes in our industrial plants and transportation systems advising that neither employers nor employes shall endeavor to take advantage of the country's necessities to change existing standards. When economic or other emergencies arise requiring changes of standards, the same should be made only after such proposed changes have been investigated and approved by the Council of National Defense.

2. That the Council of National Defense urge upon the legislatures of the states, as well as all administrative agencies charged with the enforcement of labor and health laws, the great duty of rigorously maintaining the existing safeguards as to the health and welfare of workers, and that no departure from such present standards, in state laws or state rulings affecting labor, should be taken without request of the Council of National Defense that such a departure is essential for the effective pursuit of the national defense.

3. That the Council of National Defense urge upon the legislatures of the several states that before final adjournment they delegate to the Governors of their respective states the power to suspend or modify restrictions contained in their labor laws when such suspension or modification shall be requested by the Council of National Defense; and such a suspension or modification, when made, shall continue for a specified period and not longer than the duration of the war.

4. That the Council of National Defense should recommend to Congress that adequate and proper provision be made by the Government for the care of families of individuals who are accepted for service in the military or naval forces of the United States.

It was moved and carried that specific recommendations numbered 1, 2, and 3 of Commissioner Gompers' aforesaid report be
100 submitted to the Council of National Defense, with the approval of the Advisory Commission.

It was moved and carried that the Commission recommend to the careful consideration of the Council of National Defense the proposal of the Committee on Labor, as contained in specific recommendation numbered 4 of Commissioner Gompers' said report.

It was moved by Commissioner Godfrey, and carried, that the Commission, through its Director, express to Mr. V. Everit Macy, President of the National Civic Federation, its appreciation of the generous and valuable assistance given by that body.

It was moved by Commissioner Gompers, and carried, that the Advisory Commission recommend to the Council of National Defense that the complete reports of the Committee appointed by the British Minister of Munitions to investigate conditions affecting the health and welfare of workers be edited so that the salient features thereof may be made applicable to the conditions obtaining in the United States and printed in condensed form by the Department of Labor.

Commissioner Gompers expressed the need of some well-defined status giving his Committee on Labor general blanket authority to proceed in matters falling within its jurisdiction as a committee of the Advisory Commission of the Council of National Defense, mentioning specifically the necessity for a subcommittee on conciliation, to adjust labor disputes. Commissioner Coffin announced a similar desire on the part of his committee. Thereupon, Commissioner Godfrey moved, and it was carried, that Commissioners Gompers and Coffin be appointed a special committee to consider the aforesaid subject and report specific recommendations to the Commission at its next meeting.

101 It was moved and carried that all meetings of the Advisory Commission shall open at 4:00 o'clock P. M. and adjourn at 5:00 o'clock P. M.

After a general discussion of price fixing, during which the meeting was addressed by Mr. Theodore Price, Commissioner Godfrey introduced the following resolution, which was adopted:

Resolved, That the Advisory Commission of the Council of National Defense recommends to the Council of National Defense that it use all existing governmental agencies to prevent further rise in the prices of all commodities usually grouped under the general heading of raw materials, especially foodstuffs, and other articles essential to the support of the civilian population.

It was moved and carried that the Director be requested to take up with the Secretary of War or Secretary of Agriculture, or both, the advisability of giving to the press a statement to the effect that the Advisory Commission has under serious consideration for recommendation to the Council, immediate action looking to the fixing of a maximum price for all commodities usually grouped under the general heading of raw materials, especially foodstuffs, and other articles essential to the support of the civilian population.

Thereupon, at 12:40 P. M., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

102 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, April 12, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense, Thursday, April 12, 1917, at 4:15 P. M., at the offices of the Commission. There were present all members of the Commission, and the Director.

The minutes of the preceding meeting were read and approved.

The Director read the following letter, of date April 10, 1917, from Dr. C. D. Walcott, Chairman Executive Committee, National Advisory Committee for Aeronautics:

The National Advisory Committee for Aeronautics have the honor to recommend to the Council of National Defense that a board be appointed by the Council of National Defense, to be known as the Aircraft Production Board.

The function of this board shall be to consider the situation in relation to the quantity production of aircraft in the United States, and to cooperate with the officers of the Army and Navy, and of other departments interested in the production and delivery to these departments of the needed aircraft in accordance with the requirements of each department.

It is further recommended that a joint technical board of the Army and Navy be organized for determining specifications and methods of inspection for all aircraft required for the two services.

The Director then announced the appointment by the Council of Commissioner Coffin as chairman of such a board as outlined in the first two paragraphs of the foregoing letter, the personnel of same to be selected by Commissioner Coffin. It was understood that Commissioner Coffin would proceed with the organization of such a board and report to the Commission at its next meeting.

103 Chairman Willard announced the appointment of a railway committee, with Mr. Fairfax Harrison as Chairman, vested with full authority to act for the railroads, a complete report of which Chairman Willard stated he would shortly present to the Commission.

The Director read a communication from Mr. Laurence suggesting the formation of a Bureau of Information, which would perhaps ultimately become an employment bureau for the government.

With reference to the foregoing, the Director stated his office is tabulating all offers of service received, and made the suggestion that any such offers received by members of the Advisory Commission be acknowledged and then referred to him for purposes of record.

The Director introduced a letter, of date April 5, 1917, from Mr. O. C. Harn, Chairman Committee on Plan and Scope, National Advertising Advisory Board, outlining the plan involved in the offer of the Associated Advertising Clubs of the World of the services of its organization to the Council of National Defense. It was directed that said letter be filed.

Commissioner Gompers asked the authorization of the Commission to prepare, for distribution to the workers throughout the country, a brochure setting forth the general purposes of the Council of National Defense, the creation thereunder of the Committee on Labor, Conservation of Health and Welfare of Workers, and other information of an explanatory character, designed to correct possible misconceptions and insure the most active cooperation on the part of the workers.

It was moved and carried that Commissioner Gompers be authorized to prepare such a brochure and furnish the Director with copies thereof, to be submitted by him to each member of the Advisory Commission for criticism or approval.

104 Commissioner Gompers, in behalf of the executive committee of the Committee on Labor of the Advisory Commission, presented the following resolution:

Whereas it is desirable that the people of the United States be fully informed of the causes precipitating the present national crisis: Therefore be it

Resolved, That there be printed in pamphlet form, for general distribution throughout the country, the President's address to Congress of April 2, 1917, the resultant resolution of Congress, and the President's proclamation of the existence of a state of war; and be it further

Resolved, That copies of said pamphlet be furnished to all organizations—civic, church, etc.—of which the addresses are available.

It was moved and carried that the Advisory Commission recommend to the Council of National Defense that it is in the national interest that a pamphlet of the character contemplated in the foregoing resolution be prepared (possibly in some of the foreign languages as well as in English) and given the widest possible distribution.

Thereupon at 5:40 o'clock p. m. the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

105 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, April 17, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at the offices of the Commission on April 17, 1917, at 10:00 o'clock a. m. There were present all members of the Commission and the Director.

Commissioner Martin read and presented the following resolution, the same having previously been adopted by the committee on Hygiene

and Sanitation and approved by the Executive Committee of the General Medical Board of the Council of National Defense:

Whereas venereal infections are among the most serious and disabling diseases to which the soldier and sailor are liable; and

Whereas they constitute a grave menace to the civil population: Therefore be it

Resolved, That the Committee on Hygiene and Sanitation of the General Medical Board of the Council of National Defense recommend that the General Medical Board transmit to the Council of National Defense for the guidance of the War and Navy Departments the following recommendations:

1. That the Departments of War and Navy officially recognize that sexual continence is compatible with health and that it is the best prevention of venereal infections.

2. That the Departments of War and Navy take steps toward the prevention of venereal infections through the exclusion of prostitutes within an effective zone surrounding all places under their control, and by the provision of suitable recreational facilities, the control of the use of alcoholic drinks, and other effective measures.

3. That the said Departments adopt a plan for centralized control of venereal infections through special divisions of their medical services.

4. That the said Departments consider the plan of organization herewith attached.

106 It was voted that the foregoing resolution be approved and presented to the Council.

Commissioner Martin read and submitted the following resolution, approved by the Executive Committee of the General Medical Board of the Council of National Defense:

Whereas the use of alcoholic beverages is generally recognized as an important factor in the spread of venereal diseases in the Army and Navy; and

Whereas these diseases are among the most serious and disabling ones to which soldiers and sailors are liable: Therefore be it

Resolved, That we endorse the action of the Army and Navy in the control of alcoholic beverages within military places; and we further recommend the control of the use of alcoholic beverages within an effective zone about such places.

It was voted that the foregoing resolution be approved and presented to the Council.

Commissioner Martin read and submitted the following resolution, approved by the Executive Committee of the General Medical Board of the Council of National Defense:

Resolved, That the Medical Board of the Council of National Defense request the State Boards of Licensure or Registration to take such action as may be necessary to enable them to cooperate with it and the Medical Schools in modifying temporarily their rules of procedure to the extent which may be made necessary by the present national crisis.

Your committee would recommend that the Board forward for the immediate consideration of the State Boards of Licensure the following questions for decision:

1. Recognition of the Continuous Teaching Plan as an equivalent of the usual four years' course in Medicine.

2. Recognition of work done by a student with a Red Cross Teaching Unit according to the Italian plan, as the equivalent of the work usually done in the school and hospital at home.

107 3. Recognition of substitute work as interne in teaching hospitals as an equivalent of equal amount of work in the fourth year of the Medical School.

It was voted that the foregoing resolution be approved and presented to the Council.

Thereupon, at 11:30 a. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

108 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, April 17, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at the offices of the Commission, April 17, 1917, at 4:00 p. m. There were present all members of the Commission and the Director.

Commissioner Godfrey, with the aid of graphic charts, outlined the progress of the work of his subcommittee on science and research.

Commissioner Gompers brought before the meeting a resolution authorizing the Labor Committee to appoint committees on Mediation and Conciliation, with an Executive Committee under which local committees would be organized, for the purpose of cooperating with other established mediation agencies in the adjustment of labor disputes. At the suggestion of Chairman Willard, Commissioner Gompers was requested to submit recommendations setting forth the need of some machinery for mediation of general labor disputes and outlining a concrete plan, which the Advisory Commission could submit to the Council, at the same time nominating such a committee to be appointed by the Council.

Commissioner Gompers presented a resolution, which he moved be submitted to the Council for approval, and then given to the press, for the purpose of removing misconceptions gained throughout the country as a result of misconstruction of the import of the resolution heretofore adopted by the Committee on Labor of the Advisory Commission, and approved for publication by the Council at its meeting of April 7, 1917, relative to efforts by employers or employees to change existing standards.

109 It was voted that action on the aforesaid resolution be deferred until the next meeting.

Thereupon, at 6:00 p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

110 Minutes of Special Meeting of the Advisory Commission of the Council of National Defense, April 23, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at the offices of the Commission, 4:00 o'clock p. m., April 23, 1917. There were present all members of the Commission except Commissioner Baruch. The Director was also present.

The minutes of the preceding meeting were read and approved.

The Director announced that the resolution concerning venereal disease and the resolution concerning control of alcohol, presented by Commissioner Martin and adopted at the meeting of the Commission on April 17, 1917, were approved by the Council at its meeting of April 21.

The Director announced that the resolution concerning suggested modification of licensure and registration rules, presented by Commissioner Martin and adopted at the meeting of the Commission on April 17, 1917, was read to the Council at its meeting of April 21, 1917, and ordered laid on the table.

The Director read the following press statement approved by the Council at its meeting of April 21, 1917, which the Council desired the Advisory Commission to consider, the same having been prepared by Commissioner Gompers' Committee on Labor pursuant to action taken at the meeting of the Commission of April 17, 1917, and presented first to the Council to avoid delay in publication:

111 There seems to be some misunderstanding of the scope of the statement made by the Council of National Defense when it advised "that neither employers nor employees shall endeavor to take advantage of the country's necessities to change existing standards." In order that that misunderstanding may be removed, the following amplification is made:

There have been established by legislation, by mutual agreement between employers and employees or by custom, certain standards constituting a day's work. These vary from seven hours per day in some kinds of office work to twelve hours per day in continuous-operation plants. The various states and municipalities have established specific standards of safety and sanitation and have provided inspection service to enforce the regulations. They have also established maximum hours of work for women and minimum age limits for children employed in gainful occupations. It is the judgment of the Council of National Defense that the Federal, State, and Municipal Governments should continue to enforce the standards they have established unless and until the Council of National Defense has determined that some modification or change of these standards is essential to the national safety; that employers and employees in private industries should not attempt to take advantage of the existing abnormal conditions to change the standards which they were unable to change under normal conditions.

The one other standard that the Council had in mind was the standard of living. It recognizes that the standard of living is indefinite and difficult to determine, because it is in a measure dependent upon the purchasing power of the wages received remaining the same. It believes, however, that no arbitrary change in wages should be sought at this time by either employers or employees through the process of strikes or lockouts without at least giving the established agencies of the Government, the Mediation Board in the transportation service and the Division of Conciliation of the Department of Labor in the other industries, an opportunity to adjust the difficulties without a stoppage of work occurring. While the Council of National Defense does not mean to intimate that under ordinary circumstances the efficiency of workers is the only element that should be taken into consideration in fixing the hours of labor, safety, sanitation, women's work, and child labor standards, it is the object that must be attained during the period when the nation's safety is involved. It may, therefore, be necessary for the Council as a result of its investigations and experience to suggest modifications and changes in these standards during that time. It is not the purpose of the Council, however, to undertake to determine the wage rate that will be sufficient to maintain the existing standards of living. That should be referred to the mediation agencies of the Government above referred to or to such other constituted agencies as may exist to the end that such questions may be adjusted in an orderly and equitable manner to avoid the stoppage of industries which are so vital to the interests of the nation at this critical ime.

112 It was voted that the foregoing statement be approved.

The Director announced a conference between the Council of National Defense and representatives of State Councils of Defense, at the office of the Secretary of War, 10:00 o'clock a. m, Wednesday, May 2, 1917.

Commissioner Godfrey announced his intention of calling together the college and university presidents to discuss curriculum and college organization in time of war; and also a conference of the engineering societies of the country. May 4 and May 7, respectively, were fixed tentatively for these two conferences.

The Director announced the appointment by the Council of a Committee on Women's Defense Work.

The Director announced the appointment by the Council of a committee with F. S. Peabody as Chairman, to advise with Commissioner Baruch, and make every effort possible to increase the output of coal at the mines, and in cooperation with the Transportation Committee of the Advisory Commission to accelerate the movement of coal to points where the need is greatest.

The Director announced the appointment by the Council of a Committee on Shipping, consisting of Chairman Denman, of the Federal Shipping Board; P. A. S. Franklin, President International Mercantile Marine; H. H. Raymond, President Coastwise Shipping Association; Eugene T. Chamberlain, Commissioner Bureau of Navigation, Department of Commerce; D. T. Warden, of the Standard Oil Company; L. H. Shearman, of W. R. Grace & Company; E. M. Bull, Vice President A. H. Bull & Company; and Frank C. Munson, President Munson Steamship Line, to advise the Council of National Defense as to the best methods of increasing the tonnage available for shipment to the Allies.

113 The Director announced the appointment by the Council of a committee, headed by Mr. F. A. Scott, to consult with Commissioner Baruch in the solution of problems having to do with prices of government supplies.

Commissioner Gompers announced that at his request the English and French governments had delegated certain representatives of labor to bring to the United States the benefit of experience gained abroad in the handling of labor problems during the present war, and expressed the desire that the Council of National Defense and the Advisory Commission be present when the foreign representatives appeared before the Committee on Labor. The Director was instructed to convey to the Council Commissioner Gompers' desire.

Commissioner Gompers read the following statement, prepared by Prof. Frankfurter, of Harvard University:

If the issues of the present war are to be brought to a successful termination, the best possible relations must be maintained in industry. Vast quantities of materials will be manufactured by the Government in its own establishments, much of it purchased in the open market, and contracts entered into with many manufacturing concerns. The continuous flow of output from all these agencies is a vital necessity.

If our Government will profit by the experience of the war-stricken countries, many of the serious industrial difficulties encountered by them can be avoided. The establishment of just relations between employes and employers engaged in the production of materials for government use can be maintained, providing the proper agency is created where differences can be dealt with speedily and with a due regard to the rights and interests of both employees and employers. The rightful handling of disagreements occurring in industry and the adoption by this Government of proper and recognized minimum standards and maintaining them through a competent agency will prevent unnecessary waste of time and promote a feeling of good will which will act as a stimulus to our citizenship generally.

In order that such an agency may be created for the duration of the war, it is hereby suggested:

114 First. That there be created by the Council of National Defense a National Board of Labor Adjustment of nine members, to be selected because of their peculiar fitness to deal with the problems which will be assigned to the board, and two of whom shall be trade unionists and two manufacturers, one woman, one member of the U. S. Civil Service Commission, and three persons representing the public.

Second. That this board shall be authorized to fix and maintain the minimum standards to be observed in industry where government contracts are executed. This includes standards in the government owned and operated plants. These

standards shall be determined after conferences which the board shall hold with representatives of employers and employes of the various industries.

Third. That the board shall cause to be created in each manufacturing concern employed on government contracts a conference committee of four; two to be selected by the employes themselves in any manner they select and two representatives of the owners of the plant. All grievances arising in the operation of each plant shall take up any grievances arising in that particular plant on a stated day each week for the purpose of adjusting these differences. In the event they are unable to agree, the grievances shall be appealed to the national board, whose decision shall be final and binding upon both parties.

Fourth. That all government contracts shall contain provisions adopted by the national board in relation to minimum standards and other necessary requirements looking toward the conservation and welfare of all employes.

Fifth. That the national board shall be empowered to establish regulations and enforce same relative to the employment of women engaged in manufacturing plants doing work for the government.

Sixth. That this plan shall become inoperative when the peace treaty is signed.

A copy of the foregoing plan was furnished each member of the Commission for deliberation; and the Director was instructed to send a copy to each member of the Council with the explanation that it is a tentative plan under consideration by the Commission.

Commissioner Coffin spoke of the difficulties encountered by manufacturers engaged in government contracts under the restrictions of the eight-hour-day legislation, and the need of some action to
115 remedy the situation. Commissioner Coffin was instructed to submit definite recommendations to the Commission.

Commissioner Martin read the following resolution:

Whereas the General Medical Board deems it necessary for the best interest of its work that it be informed on matters of surgical and sanitary progress accomplished from time to time among the allied armies in Europe; and

Whereas Dr. George E. Brewer, of New York; Dr. J. M. T. Finney, of Baltimore; and Dr. Charles L. Gibson, of New York, have volunteered to obtain such information at their own expense by personal visit to the allied armies now engaged in Europe; and

Whereas the prestige of a commission from the Council of National Defense to obtain the desired information would greatly facilitate these men in acquiring the information: Be it

Resolved, That the Advisory Commission recommends to the Council of National Defense: first, that the proposed visit of Dr. Brewer, Dr. Finney, and Dr. Gibson be approved by that Council; and, second, that on behalf of the General Medical Board, the Council request letters of introduction from the Secretary of War and from the Secretary of State to the proper officials of France and England to facilitate the proposed mission.

Commissioner Coffin spoke to the resolution, directing attention to the plan for concerted and systematic interchange of authorized commissions with the Allies, which the Council had in general approved and had asked the Commission for specific recommendations covering, but which it had been thought wise to defer pending consultation with the commission now here from Great Britain.

Upon motion of Commissioner Coffin, seconded by Commissioner Godfrey, it was voted that Commissioner Martin's foregoing resolution be approved with the understanding that the commission contemplated therein be
116 considered a part of the general scheme for the interchange of such commissions when developed.

Thereupon, at 5:40 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

117 Minutes of Meeting of the Advisory Commission of the Council of National Defense, April 26, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at the offices of the Commission, April 26, 1917, at 4:00 o'clock p. m. There were present all members of the Commission except Commissioners Baruch and Gompers. The Director was present.

The minutes of the preceding meeting were read and approved.

The Director read the following resolution:

Whereas in the work of the General Munitions Board it has become increasingly evident that a broadening of the scope and authority of this board is essential to the efficient operation of the Board and to the best interests of the Governmental Deparments, and

Whereas it is necessary that the Council of National Defense more clearly define the authority of this Board in regard to the fixing of prices, advising as to the form and terms of contracts, and adjustment of priority requirements and such other matters as are involved in the procurement of supplies: Now, therefore, be it

Resolved, That the Advisory Commission recommend to the Council of National Defense:

(1) That the General Munitions Board prepare and maintain a list of all materials and finished products in the procurement of which limitation appears imminent and coordination of action appears to the Board to be essential. And in connection with materials and finished products thus listed, no proposals or purchase orders shall be issued by any department until submitted for clearance to the Board, except in case of emergency, in which event prompt report of such purchase shall be made to the Board.

118 (2) That the General Munitions Board shall exercise full power in the determination of priority of delivery in materials and finished products whenever there is a conflict in delivery, in accordance with the general policy of the Government.

(3) That the General Munitions Board be asked by the Secretaries of War and Navy to advise whenever possible as to the form and terms of contracts, and to determine what are fair and just prices to be paid by the Government for materials and finished products.

It was voted that the foregoing resolution be adopted.

Commissioner Rosenwald moved, and it was so voted, that the Council of National Defense be requested to arrange from time to time to have members of foreign commissions appear before joint meetings of the Council and Advisory Commission, that we may get from them information necessary to the solution of many of the questions now confronting us, and that the chairman of committees interested be asked to be present.

It was voted that the Council be requested to arrange a joint meeting of the Council and Advisory Commission, Saturday, April 28, 1917, to hear Mr. Layton, recently returned from abroad, who is unusually well informed as to conditions in Russia and France; and Judge Amos, who has been dealing with priority problems in England during the present war.

The Director was instructed to take up with the Council the desirability of outlining some general policy for the guidance of the Commission in cooperating with foreign commissions.

Commissioner Coffin moved, and it was so voted, that the Chairman appoint a committee of three to wait upon Mr. Munsey, explain to him the circumstances in connection with the occupation of the present offices, and see what adjustment can be made; the same

31252—36—No. 8——5

committee later to confer with the Council, if necessary. The Chairman accordingly appointed Commissioners Coffin, Baruch, and Martin on such a committee.

It was voted that the following resolution be adopted:

Whereas it is essential to the accomplishment of effective work upon the part of the General Munitions Board that there be a determination as soon as practicable of the relative importance of certain forms of preparation: Be it therefore

Resolved, That the Advisory Commission suggests to the Council of National Defense the desirability of an early determination of the relative importance of the following:

(a) Supplies for the belligerents friendly to ourselves.
(b) Supplies required by the Navy.
(c) Supplies required by the Army.
(d) Construction of one thousand standardized freight carriers.

The following resolution, introduced by Commissioner Coffin, was adopted:

Whereas it has become increasingly evident that the problems of munitions supply are international rather than national, and that the standardization of military equipment must, to effect a minimum of confusion and a maximum of efficiency both in production and in use, be viewed from this standpoint: Be it

Resolved, That the Advisory Commission, believing this to be the psychological as well as the practical time for such action, urge upon the Council the creation of a committee on international munition standards, whose duty it shall be to inquire into and report upon the feasibility of adoption of standards in arms and equipment among the allied powers, including especially the countries of North and South America.

Commissioner Coffin read and submitted the following resolution:

Whereas it is essential to rapid progress in all lines of preparation in this country that an intimate detailed knowledge be had of the mature experience of foreign nations during two and one-half years of the European war; and

Whereas in the future conduct of the war there will be constant development in industrial and scientific lines with which it is of vital importance that this country keep informed; and

Whereas information of this kind may only be acquired and transmitted through personal contact upon the part of especially qualified persons expert in the subjects involved: Therefore be it

Resolved, 1st. That the Commission recommend to the Council of National Defense the institution of negotiations through the State Department looking toward the interchange with foreign countries involved in the war of technical commissions composed of persons specially qualified to perform the service desired.

2nd. That suitable permanent quarters be arranged in both Paris and London, together with the necessary clerical and other personnel to meet the needs of the members of any technical commissions thus sent.

3rd. That there be associated with these commissions such qualified Americans residing abroad as may be deemed desirable, including the Military and Naval Attachés of our foreign embassies.

4th. That proper and adequate provision be made for meeting the necessary expense of the American commissions authorized and of the maintenance of the various headquarters therefor—it being understood that except in special instances the personnel of these commissions shall serve without salary.

Commissioner Coffin's foregoing resolution was adopted.

Commissioner Martin read the following:

Whereas the troops of the United States Army may be called into conflict within a year upon the European continent; and

Whereas complete mastery over the needs of the sanitary service in modern warfare is absolutely imperative in adequate preparedness; and

Whereas knowledge of the needs of the sanitary service of the United States Army can be gained primarily out of the accumulated experience of the sanitary

services of the English and of the French governments now being operated on the European continent; and

Whereas if the United States Government is called upon to send troops to Europe by the Spring of 1918, such knowledge can be obtained in time only through the mechanism suggested in the appended resolution and the attached chart: Therefore be it

Resolved, First, that the Advisory Commission recommend to the Council of National Defense that it authorize at once the establishment of a Study Commission with headquarters in Paris and in London, endowed with authority, funds, and technical assistants to study the operations and experience of the English and French sanitary services, with special reference to the problems of equipment, methods, personnel, and maintenance.

Second, that the said Study Commission be selected by the General Medical Board of the Council of National Defense from civilian physicians and sanitarians who can speak French and who have had experience abroad during the present conflict, about a central group of efficient men of the United States Medical Corps, selected by the Surgeon General of the Army, empowered to organize plans for a foreign branch of the United States Sanitary Service in order that said service may be in readiness in the event of arrival of United States troops in Europe.

Third, that the said Study Commission be instructed to forward to the American Government information as to the best features of the sanitary service of the English and French armies, and that it be instructed further to recommend to the American Government plans and orders for the equipment, personnel, and supplies for an adequate sanitary service in Europe, capable of cooperating with our allies.

Thereupon Dr. Flint, with the aid of graphic charts, explained a comprehensive plan for the organization of sanitary service in modern warfare, based upon his study of conditions abroad during the present war. It was the sense of the meeting that Dr. Flint's plan be approved.

The Director read the following letter, of date April 26, 1917, from Commissioner Gompers to Chairman Willard:

I keenly regret that it is impossible for me to be in attendance with you and the other gentlemen of the Advisory Commission this afternoon, and yet there is a matter of transcendent importance which it is necessary to bring to your attention and which I trust will also receive the attention of the Council of National Defense and the Munitions Board.

The Advisory Commission and the Council of National Defense adopted and made public a declaration that economic, health, and welfare standards should not be interfered with and the amplification of that declaration demonstrated the fundamental purposes that all had in view.

All are doubtless aware of the efforts being put forth by certain interests to have these standards repealed and set aside. This morning's newspapers contain accounts of these concerted and organized efforts. Accompanying this letter is a copy of a circular letter issued by William Frew Long and sent to all employers and employers' associations of Pittsburgh, and your attention is respectfully directed to the same.

I am quite sure, and that conviction is shared by those most intimately associated with me, that efforts of the character indicated in the document and to the gathering in New York yesterday are seriously undertaken, there will arise a situation most injurious to our common purpose and in the struggle in which we are engaged for the national defense.

I earnestly trust that the subject matter with which this letter deals may receive the prompt and favorable action of the Commission and the Council of National Defense.

The circular accompanying Commissioner Gompers' foregoing letter reads as follows:

To the Members of the Employers' Association and other Employers of Pittsburgh.

GENTLEMEN: We are just in receipt of circular from the National Metal Trades Association issued at the request of President Van Dervoort. The matter is of such importance we are reproducing it as follows:

"If our Government asks a member of our Association to bid on or do work that it sorely needs, I feel it is the patriotic duty of the member to make an honest bid.

"We are at war. No matter what our personal sentiments, our first duty is to our Government. I DO feel that in making bids or in accepting work, members of our Association should protest against any restrictions whatever. I feel that these protests will be numerous and that they will have weight."

123 As you are aware, the Government in the operation of its own plants, has removed the restrictions of the eight-hour day, but this does not help our situation, for the Government also pays time and a half for all time over eight hours and demands that the individual manufacturer comply with the same schedule.

If we are to produce the much-needed equipment and munition of war, all useless and uneconomic restrictions must be removed. Fully as important to us as manufacturers is the removal of the demand for an eight-hour operation which we have contested for so many years at such great cost.

"There is much strenuous opposition on the part of many manufacturers against the eight-hour restrictions. Suggest our members SEND FORMAL PROTEST against these with all bids submitted."

May I ask you, therefore,

First, protest against these restrictions with all bids submitted; and, second, immediately write Munitions Board, Washington, D. C., care of Mr. Van Dervoort, a formal protest against these restrictions, whether you are contemplating figuring on government work or not, as no one can predict who will later on be called upon to furnish supplies or how far reaching these restrictions may prove.

Yours very truly,

WM. FREW LONG, *General Manager.*

It was the sense of the meeting that inasmuch as there was no definite recommendation made by the Chairman of the Committee on Labor with reference to the foregoing, the Commission should take no action in his absence.

The Director read the following resolution:

Resolved, That the Advisory Commission recommend to the Council of National Defense that the Council urge upon Congress the desirability of incorporating in all appropriations for the national defense, a clause granting to the President, for the duration of war, power to transfer funds from the specific uses stated by Act to such other purposes within any Department, as may in his opinion, be more essential to the national security and welfare.

Commissioner Coffin moved, and it was so voted, that the foregoing resolution be adopted.

124 The Director read a revised draft of Commissioner Gompers' plan for harmonizing industrial relations presented at the preceding meeting of the Commission. It was voted that the matter be tabled for consideration at a meeting at which all members of the Commission should be present.

Thereupon, at 6:30 o'clock p. m., the meeting adjourned to Friday, April 27, 1917, at 4:00 p. m.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

125 Minutes of Meeting of the Advisory Commission of the Council of National Defense, April 27, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at 4:00 o'clock, p. m., April 27, 1917, at the offices of the Commission. There were present all members

of the Commission except Commissioner Godfrey. The Director was also present.

The minutes of the preceding meeting were read and approved.

The Director stated that he had brought to the attention of the Council at its meeting of April 27, 1917, the request of the Advisory Commission that opportunity be afforded Mr. Layton and Judge Amos to appear before a joint session of the Council and Advisory Commission to discuss their intimate knowledge of conditions abroad, and that it was the sense of the meeting that to attempt by individual hearings to make available the knowledge and experience of the many foreign representatives here for that purpose, would draw too heavily upon the time of the Council, and that such representatives should be requested to appear before the respective committees directly interested.

Commissioner Gompers moved, and it was so voted, that the Director be requested to arrange from time to time for the appearance before the Advisory Commission of such foreign representatives, leaving to his judgment the order and time of their appearance, each member of the Commission to give the Director the benefit of suggestions.

The Director was requested to furnish each Commissioner with the personnel of the various foreign commissions that are here,
126 naming so far as possible just what each represents and their addresses in Washington.

The Director then read the following plan for harmonizing industrial relations, prepared by Commissioner Gompers:

If the issues of the present war are to be brought to a successful termination, the best possible relations must be maintained in industry. Vast quantities of materials will be manufactured by the government in its own establishments, much of it purchased in the open market, and contracts entered into with many manufacturing concerns. The continuous flowing of output from all these agencies is a vital necessity.

If our government will profit by the experience of the war-stricken countries, many of the serious industrial difficulties encountered by them can be avoided. The establishment of just relations between employes and employers engaged in the production of materials for government use can be maintained providing the proper agency is created where differences can be dealt with speedily and with a due regard to the rights and interests of both employes and employers. The rightful handling of disagreements occurring in industry and the adoption by this government of proper and recognized minimum standards and maintaining them through a competent agency will prevent unnecessary waste of time and promote a feeling of good will which will act as a stimulus to our citizenship generally.

In order that such an agency may be created for the duration of the war, it is hereby suggested:

First: That there be created by the Council of National Defense a National Board of Labor Adjustment of seven members, to be selected because of their peculiar fitness to deal with the problems which will be assigned to the Board, and two of whom shall be trade unionists and two manufacturers, and three persons representing the public.

Second: It shall be the duty of this Board to enforce the maintenance of existing standards and conditions of labor employed in executing government contracts or orders. No changes in such standards and conditions shall be made without the approval of this Board and all changes shall be determined only after conferences which the Board shall hold with representatives of employers and employes of the industry affected.

Third: That the Board shall have authority, when it deems such action necessary, to cause to be established in each manufacturing concern employed on government contracts a conference committee of four; two to be selected by

the employes in any manner they choose, and two representatives of the owners of the plant. Such committee shall take up any grievances
127 arising in that particular plant. In the event that such committee be unable to agree, the grievances shall be appealed to the Board, whose decisions shall be final and binding upon both parties.

Fourth: All government contracts shall contain such provisions as are necessary to enforce the findings and the orders of this Board in relation to the standards and conditions of labor employed on government contracts or orders.

Fifth: This plan shall become inoperative when the Peace Treaty is signed.

After some discussion, Commissioner Gompers agreed to undertake the revision of the plan, to meet the objections brought out in the discussion.

The Director read a letter from Frank A. Munsey urging the necessity for conservation of newsprint paper. The matter was referred to Commissioner Baruch to prepare specific recommendations in the premises for consideration by the Commission.

Commissioner Martin read into the record the following resolution:

Whereas it is very desirable that the members of the Advisory Commission receive first-hand authoritative information on all matters relating to the national defense, and

Whereas England and France, the two principal belligerents friendly to us, have sent expeditionary commissions of eminent specialists who, from experience, are familiar with the details of the activities necessary to the efficient conduct of war, and

Whereas these expeditionary commissions, if they are to receive the greatest benefit from their visit, must have an opportunity for the fullest cooperation between the departments of the Government and the Advisory Commission dealing with matters of defense; Therefore be it

Resolved, That the Advisory Commission recommends to the Council of National Defense that definite official conferences be arranged by the Council of National Defense that will afford opportunity for discussion and cooperation between the members of the Advisory Commission and the members of the two expeditionary commissions now visiting our country.

128 It was the sense of the meeting that action already taken would bring about the result contemplated in the foregoing resolution.

Thereupon, at 5:45 o'clock, p. m., the meeting adjourned to Tuesday, May 1, 1917, at 10:00 o'clock, a. m.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

129 Minutes of Meeting of the Advisory Commission of the Council of National Defense, May 1, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense, at 10:00 o'clock a. m., May 1, 1917, at the offices of the Commission. There were present all members of the Commission except Commissioner Gompers. The Director was in attendance.

The minutes of the preceding meeting were read and approved.

The Director reported the following action taken by the Council upon resolutions adopted by the Advisory Commission, April 26, 1917, and set forth in full in the minutes of that date:

Resolution requesting the Council of National Defense to more clearly define authority of the General Munitions Board in regard to fixing of prices, advising as to form and terms of contracts, and adjustment of priority requirements: Paragraphs numbered 1 and 2 of said resolution were approved by the Council. As to paragraph numbered 3 of said resolution, it was the sense of the meeting that the recently appointed committee on prices, of which Mr. F. A. Scott is Chairman, should first consider the matter and report to the Council recommendations as to the policy to be adopted.

Resolution requesting the Council of National Defense to bring about an early determination of the relative importance of certain forms of preparation: It was the sense of the meeting that as between the army and navy priority should be given to such needs of the navy as are intended to be completed within a period of one year; that as to supplies for belligerents the question of priority in each instance should be determined by the representative of the particular belligerent and the head of the department interested; and that the wooden-ship program should be pressed forward to the exclusion of all else not immediately and vitally necessary.

Resolution concerning standardization of military equipment: Said resolution was ordered by the Council to be referred to the War College as a committee to report to the Council.

130 Resolution concerning interchange of foreign commissions: Conference with English and French commissions has developed the belief that the wisest and most advantageous course would be to have the foreign expert advisers stationed here, in intimate touch with our operations, and relieved at frequent in ervals by others arriving fresh from activities abroad.

The Director read a letter, of date April 27, 1917, from the Secretary of the General Munitions Board, enclosing a report of the Committee on Optical Glass of the Naval Consulting Board, urging the necessity for action to insure against a shortage of optical glass. Said letter was ordered referred to Commissioner Godfrey to confer with government departments and others interested and report recommendations to the Commission.

The Director introduced a letter, of date April 18, 1917, received from James Lynch, Commissioner, Department of Labor, New York State Industrial Commission, concerning application of the American Can Company for a variation from the so-called day of rest law, to permit Sunday work on rush orders for munitions. It was moved by Commissioner Coffin, and so voted, that *the aforesaid letter* be referred to the Secretary of Commerce with request that he communicate to the Advisory Commission any information at his disposal as to the necessity and wisdom of such action.

Commissioner Baruch read a report signed by himself and Commissioners Coffin and Martin as the special committee appointed to confer with Mr. Munsey on the question of office rent, recommending to the Council that the offices at present occupied be retained. It was moved by Commissioner Rosenwald, and so voted, that said report be indorsed by the Advisory Commission and recommended to the Council.

Correction, by vote of Commission May 4, 1917: After "munitions", fifth line, third paragraph, add: "together with a suggested reply thereto, drafted by Commissioner Gompers"; and change "the aforesaid letter" in sixth line to read "Mr. Lynch's letter."

Attest: (signed) MORTON WALKER.

131 Commissioner Godfrey announced a conference, to be held Saturday, May 5, 1917, of the college and university presidents.

Thereupon, at 11:05 o'clock a. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

132 Minutes of Meeting of the Advisory Commission of the Council of National Defense, May 4, 1917

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense, May 4, 1917, at 4:00 o'clock, p. m., at the offices of the Commission. There were present all members of the Commission and the Director.

The minutes of the preceding meeting were approved as corrected.

The Director read a revised draft of Commissioner Gompers' proposed plan for harmonizing industrial relations. After general discussion, Commissioner Gompers was granted leave to withdraw the said plan.

Commissioner Gompers moved, and it was so voted, that in view of the fact that the original statement issued by the Council of National Defense adopting resolutions submitted by the Committee on Labor of the Advisory Commission concerning changes in industrial standards had caused general public misconception which had not been removed by the amplification published at a later date, it be recommended to the Council that the original declaration and the amplification thereof be printed together for general distribution, at a cost not to exceed $5,000.

Commissioner Martin moved, and it was so voted, that a committee be appointed by the Chairman to investigate the legal status of German patents in the United States and submit to the Commission recommendations as to the proper procedure to be followed to permit the manufacture in this country of the subject matter of
133 German patents. Accordingly, the Chairman appointed Commissioners Coffin and Martin such a committee.

Commissioner Martin read and submitted the following resolution:

The following resolution was adopted and presented by the Committee on Hygiene and Sanitation of the General Medical Board. On April 16, 1917, it was adopted by the Executive Committee of the General Medical Board, with the approval of the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Public Health Service. The plan is one carefully worked out by Surgeon General Blue, of the Department of Public Health.

"*Resolved*, That for the purpose of securing a reserve for duty in the Public Health Service in time of national emergency, there shall be organized under the direction of the Secretary of the Treasury, under such rules and regulations as the President shall prescribe, a reserve of the Public Health Service. The President alone shall be authorized to appoint and commission as officers in the said Reserve such citizens as, upon examination prescribed by the President, shall be found physically, mentally, and morally qualified to hold such commissions, and such commissions shall be in force for a period of five years, unless sooner terminated in the discretion of the President. Commissions in such Reserve shall not exempt the holder thereof from military or naval service."

It was voted that the foregoing resolution be presented to the Council of National Defense, emphasizing the fact that it is a plan carefully worked out by Surgeon General Blue, of the Department of Public Health, and adopted by the Executive Committee of the General Medical Board, with the approval of the Surgeon General of the Army, the Surgeon General of the Navy, and the Surgeon General of the Public Health Service.

The Director read a letter from Mr. W. D. Hart, of 128 Broadway, New York City, referred to the Advisory Commission by the Adjutant General at the direction of the Secretary of War, relative to a plan devised by Mr. Hart for utilizing several well-known and practical forces for war purposes. The foregoing matter was ordered laid on the table.

134 Commissioner Gompers stated that the English labor representatives would reach Washington, May 5, 1917. The Director was requested to accompany Commissioner Gompers and meet the labor commission as the official representative of the Council of National Defense and the Advisory Commission.

Chairman Willard stated that the Russian Government had requested that a commission of American railroad men come to Russia as early as possible, and such a commission, headed by John S. Stevens, would reach Vladivostok May 27th, to investigate railway conditions there; and that meanwhile steps were being taken to furnish the materials needed.

Chairman Willard also stated that the French Government had asked for railroad engineers, operating men, and track men to be sent as a military unit; that the plan had been approved by the Council of National Defense and by the President; and that, accordingly, S. M. Felton had undertaken to raise nine regiments of railroad men for that purpose, who would be preceded to France by a commission of three railway experts.

Commissioner Godfrey stated that his department would welcome the opportunity to be of service to the various committees and boards created under the Commission.

Commissioner Godfrey also asked that there be arranged a group of meetings at which each member of the Commission would be given the opportunity to tell the other members what are the purposes of his department and what he has accomplished.

Thereupon, at 6:10 o'clock p. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

135 Minutes of Meeting of the Advisory Commission of the Council of National Defense, May 21, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense, May 21, 1917, at 3:00 o'clock p. m., at the offices of the Commission. There were present Chairman Willard, Commissioners Coffin, Godfrey, and Gompers, and the Director.

The minutes of the preceding meeting were approved as read.

The Director reported the following action taken by the Council since the last meeting of the Commission:

The resolution to establish a reserve of the public-health service, submitted by Commissioner Martin and set forth at length in the Advisory Commission minutes of May 4, 1917, was approved by the Council at its meeting of May 5, 1917.

The Council at its meeting of May 5, 1917, voted to empower the General Munitions Board to appoint a committee to devise methods by which costs may be ascertained.

The Council at its meeting of May 5, 1917, approved a resolution authorizing the appointment to the General Munitions Board of a representative of the National Research Council.

With reference to Commissioner Gompers' motion that the original declaration of the Council concerning changes in industrial standards, and the amplification thereof, be printed together for general
136 distribution, passed by the Commission at its meeting of May 4, 1917, the Council at its meeting of May 5, 1917, ordered that the Secretary of Commerce, the Secretary of Labor, and the Director be requested to arrange for the desired publicity through trade journals and labor publications, and also to take up with Mr. Creel. The Director stated that this had accordingly been done.

Commissioner Godfrey submitted resolutions adopted at a conference called by him in Washington, D. C., May 3, 1917, participated in by 180 college and university presidents, which resolutions he stated might be summarized as follows:

1. That there be developed and issued at once through the Bureau of Navigation of the Department of the Interior and the States Relations Service of the Department of Agriculture, a statement of a comprehensive policy of cooperation between the government and the universities, colleges, and other schools which will make for the most effective use of these institutions throughout the duration of the war.

2. That the Bureau of Education of the Department of the Interior shall, after consultation with federal departments and educational officers throughout the country, keep the educational institutions informed of the needs for technical, military, and general training which they may wisely undertake; and that the States Relations Service of the Department of Agriculture take similar action as regards agricultural needs.

3. That the Bureau of Education of the Department of the
137 Interior and the States Relations Service of the Department of Agriculture should bring together from time to time groups of educational officers for consultation with the committee on education of the Advisory Commission of the Council of National Defense.

4. That nothing in those resolutions shall be construed as advising any change in the legal or administrative relations existing between the Department of Agriculture and the agricultural colleges.

Commissioner Godfrey stated that the action recommended reflected the minds of the 180 educators present, particularly the best judgment of the twenty leading educators comprising the educational committee of the Committee on Science and Research of the Advisory Commission; and that they felt that their efforts would be strengthened if such recommendations received the endorsement of the Council of National Defense.

Commissioner Willard suggested that the foregoing be framed by Commissioner Godfrey as a resolution to be submitted to the Council with the approval of the Advisory Commission. Upon motion of Commissioner Gompers it was so ordered.

Commissioner Godfrey moved, and it was so voted, that the name of "The Committee on Science and Research, Including Engineering and Education", of the Advisory Commission, be changed to "The Committee on Engineering and Education."

Commissioner Gompers moved, and it was so voted, that the
138 regular stated meeting of the Advisory Commission June 1, 1917, be cancelled.

Commissioner Gompers moved that the Director be authorized to inaugurate a system of passes for officers and employees of the Council and Advisory Commission in accordance with a plan outlined by the Director. It was so voted.

Commissioner Gompers stated that the Committee on Labor had held extended conferences with the English labor representatives now in this country, at which every important phase of the war was discussed exhaustively; and that a stenographic report of the discussion would shortly be printed as a government document.

Commissioner Gompers brought up the subject matter of a telegram received by him complaining of the discharge of a number of clerks by the Baltimore & Ohio Railroad at Cumberland, Md., the men alleging that their dismissal was due to their membership in the union of clerks and their refusal to withdraw therefrom. The matter was referred to Chairman Willard.

Thereupon, at 5:30 o'clock p. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

139 Minutes of Meeting of the Advisory Commission of the Council of National Defense, June 1, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on June 1, 1917, at 10:00 o'clock a. m., at the offices of the Commission. There were present Chairman Willard, Commissioners Baruch, Coffin, and Rosenwald, and the Director.

Chairman Willard read a letter, of date May 31, 1917, from Commissioner Gompers, expressing his regret at being unable to attend the meeting and transmitting two resolutions adopted by the Executive Committee of the Committee on Labor of the Advisory Commission, which he desired brought before the Commission for consideration.

Thereupon Chairman Willard read the first of such resolutions, as follows:

Whereas the Council of National Defense in April issued certain declarations of principles as to the maintenance of labor standards; and

Whereas the Council recommended that the legislatures of the several states should empower the governors of their respective states to suspend the labor laws of the states only upon the request of the Council as a war emergency; and

Whereas many injurious bills have been introduced in various states which only partially comply with the recommendations of the Council: Be it

Resolved, That this Committee recommend that the Council empower this Committee on Labor to submit a draft of a bill, that bill to embody the foregoing principles, and which will form a basis for uniformity for such legislation, and that after the Council has approved of the proposed draft, this same Committee be empowered to present the said draft to the proper legislative bodies.

140 After discussion it was agreed that the Chairman should present the foregoing resolution to the Council at the regular

joint meeting on June 2, 1917, with the statement that the Commission believes it would be unwise for the Council to further commit itself in the premises until it is prepared to establish the machinery necessary to hear and adjust the controversies which would devolve upon the Council as a consequence.

Chairman Willard thereupon read the second of such resolutions, as follows:

Your Committee on Separation Allowances desires to report that it has been engaged in drafting a bill, to be submitted to Congress through the Council of National Defense, making provisions for the care of dependents of enlisted men. The Committee has been advised that other committees and individuals have been similarly employed under authorization of the Federal government.

In the realization that action by various committees and individuals will lead to confusion and duplication, the Committee suggests that the Chairman of the Committee on Labor be requested to lay the above facts before the Council of National Defense and to add thereto the suggestion that the Council of National Defense authorize the Committee on Labor to prepare the tentative bill above referred to. It is believed that the Committee on Labor is the proper body to consider the matter, in view of the fact that those who will be affected by the contemplated law come directly within the purview of the Committee on Labor, on which Labor is largely represented.

It was agreed that the Chairman should present the foregoing resolution to the Council, with the statement that the Commission feels that it would be desirable to coordinate in some central body all of the activities in this direction, with which central body the Committee on Labor could cooperate.

141 The Director read the following letter from the Secretary of War, of date May 21, 1917:

Your letter of April 30, 1917, enclosing a resolution concerning standardization of military equipment, adopted by the Advisory Commission, has been given careful consideration.

The War Department thinks the creation of a committee on international munitions standards inadvisable under present conditions.

All our energies must be devoted to the production of sufficient arms and equipment for the large forces necessary. It is believed any additional attempt to standardize the armament of the allies would result in delay and wasted efforts.

A market for war products will be produced, provided our guns and ammunition show superiority. It is believed that in the Springfield rifle we have an excellent type of small arm, and that the new 3-inch gun is of the very best. Our machine-gun factories will soon be manufacturing large quantities of very efficient weapons. Under these conditions it is believed that the law of supply and demand will give to the United States extensive South American markets without the interposition of an international munitions standards board.

The Director read for the information of the Commission a letter of date April 7, 1917, from C. H. Dennis, Editor of the Chicago Daily News, suggesting as a possible means of counteracting influences tending to draw Sweden into the war as an ally of Germany, that leading Swedish-Americans be placed upon prominent committees engaged in national defense work, and recommending the names of a number of such persons.

The Director read the following financial statement:

142 *Salaries, December 11, 1916, to May 31, 1917*

Administrative Division:		
Director's office	$5,997.26	
Secretary's office	$5,735.27	
Chief Clerk and Stenographic section	2,158.23	
Labor, telephone, and watch force	1,632.34	
Mail, file, and messenger section	725.01	
		$16,248.11
Coal Production Committee		60.00
Medical Department		7,468.04
Munitions Department, including industrial inventory		3,590.26
Committee on Supplies (Mr. Rosenwald)		837.23
Commercial Economy Department (Mr. Shaw)		681.67
Labor Department		520.83
Dr. Crampton's Personnel Inventory		200.00
Statistical Department (Mr. Ayres)		174.98
Woman's Committee		162.25
State Council Committee		80.83
		$30,024.20
Estimated cost for—		
Furniture and equipment (not segregated)		32,343.85
Printing and stationery (not segregated)		10,000.00
Rent (not segregated)		7,000.00
		79,368.05

Commissioner Rosenwald suggested that the Director submit to the Commission a monthly financial statement.

The Director read the following from the minutes of the Council of May 31, 1917:

Reference was made to initial action taken by subcommittees without first consulting Government departments, which has resulted in duplication of effort and has been the cause of some embarrassment to executive departments of the Government. The Director stated that he believed this had been remedied by a request recently made of all subcommittees to initiate no new inquiries or investigations without first communicating with the Director.

143 The Director was requested to submit to the Advisory Commission at its next meeting the advisability of suspending appointment of further committees or subcommittees until after the Council had considered such appointments.

It was agreed that the foregoing would hereafter be the policy.

Commissioner Baruch reported upon the matter heretofore referred to him by the Council, concerning certain California oil lands now unproductive because withheld from entry by the Government. His report was referred to the Director to prepare definite recommendations for submission to the Council, after approval by the Commission.

Commissioner Baruch read the following letter, of date May 31, 1917, from E. H. Gary, Chairman of the Committee on Steel and Steel Production, of the Advisory Commission:

I send you herewith copy of letter just received from one of the manufacturers in reply to our request for detailed information concerning the supply of ferromanganese on hand. I do not add the names. The letter speaks for itself. If there is any question in regard to these matters, we should know it now.

The letter referred to by Mr. Gary reads as follows:

"Ferromanganese consumption approximately two hundred fifty gross tons per month. Two months' supply on hand May first. Contracts on open market for six to eight months additional. Do not use Spiegel."

We are anxious to do everything we can to assist the Government, and have complied with their request for detailed information regarding all of our busi-

ness, including the Steel Mill. We are very doubtful, however, as to how far it is safe or proper for us to cooperate with some of the committees that are endeavoring to assist in the matter. I was called to Washington a few weeks ago in connection with some of this committee work, and found that they were operating in flagrant disregard of the Sherman Law, the Clayton Law, and all the other statutes that are supposed to regulate business, particularly big business.

144 The Government officials who were sitting in at this conference admitted that they had no authority for doing so, and upon a little further inquiry we were advised that the Government officials' presence at the conference would not in any way protect us. As a matter of fact, we have recently made a settlement with the Treasury Department of a transaction which took place in 1903, notwithstanding the fact that the Government admitted that we had acted in good faith at the time and under the explicit instructions of the official representative of the Treasury Department. The present Administration takes the position that the former contracts were wrong and not in conformity with the law; therefore we must be punished for doing exactly what we were told to do by the authorized representative of the Department at the time.

It seems to us that if the Government desires cooperation on the part of the business interests in helping them with their problems, the least they could do would be to have Congress pass a resolution suspending operation of these laws during the period of the war. Until such time as such action is taken to protect us against persecution in the future we should prefer to do our bit by responding to the direct requests of the several branches of the Government for assistance, and this we are doing practically every day.

It was agreed that the Chairman should bring the aforesaid letters to the attention of the Council at the regular joint meeting.

Thereupon, at 12:05 o'clock p. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

145 Minutes of Meeting of the Advisory Commission, June 13, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense at 3:10 o'clock p. m., June 13, 1917, at the offices of the Commission. There were present: Chairman Willard, Commissioners Rosenwald, Baruch, and Gompers, and the Secretary of the Commission. Commissioner Coffin appeared after the reading of the minutes and Commissioner Martin at 4:15 p. m.

The minutes of the June 1st meeting of the Commission were read by the Secretary and approved.

The Secretary read a letter from Secretary Wilson, of June 6, 1917, to the Director of the Council, with regard to the creation of a labor-adjustment commission. A general discussion thereon was had.

Commissioner Gompers offered a resolution to the effect that the Council appoint two of its members, together with two of the members of the Advisory Commission, to comprise a committee for the purpose of formulating a programme for the maintenance of standards of employment and the prevention or adjustment of industrial disputes. This resolution was later withdrawn by Commissioner Gompers, it being the sense of the meeting that the matter had best be taken up at a joint meeting of the Council and Advisory Commission.

Thereupon, at 4:20 o'clock p. m., the meeting adjourned.

Attest:

(signed) GROSVENOR CLARKSON,
Secretary of the Council and of the Advisory Commission.

146 Minutes of Meeting of the Advisory Commission of the Council of National Defense, June 14, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on June 14, 1917, at 10:00 o'clock a. m., at the offices of the Commission. There were present all members of the Commission except Commissioners Godfrey and Rosenwald. The Director was present.

Commissioner Baruch stated that the meeting was called for the purpose of presenting his report concerning withdrawal from entry of certain oil lands in California, thus rendering unavailable large deposits of oil, the matter having arisen by reason of a telegram, of date April 23, 1917, from the San Francisco Chamber of Commerce to Secretary Baker, through Mr. Ira Bennett, of Washington, D. C., which had been referred by the Council of National Defense to Commissioner Baruch. Commissioner Baruch then presented Mr. E. L. Doheny, president of the Mexican Petroleum Company of Los Angeles, California, and a member of the Cooperative Committee on Oil of the Advisory Commission; and Mr. M. L. Requa, mining engineer, and consulting engineer of the Bureau of Mines, who addressed the Commission, outlining the oil situation and emphasizing the imperative necessity of utilizing all available sources of oil supply.

Thereupon Commissioner Baruch read the following telegram, of date May 18, 1917, from Gavin McNab, of San Francisco, California, to Senator Thomas Walsh:

147 There is a crying necessity for the adjustment of the oil situation in California, not only in the interest of the government but in the interest of the public, producers, and consumers. Present situation threatens serious injury to all concerned. The dog-in-the-manger policy of preventing the use of these fields, under present war and commercial conditions, is an indictment of human intelligence. I say this as a citizen of California. I am not otherwise concerned. I own no oil land, no oil stock, and am attorney for no oil concern. But, broadly speaking, the government should find some speedy method of adjusting, or leasing, or some intelligent method of disposing of this situation. There is abundant oil for the Navy in lands now idle. There is abundant oil for all industrial and commercial purposes in these lands, now idle. This is a time, above all others, when idle lands, like idle hands, should be put to work. There is no preparedness like opening up the petroleum fields for government use and for business. There should be enough intelligence in the United States, in this emergency, to solve this problem in a way that would meet the government necessities and be fair to all legitimate interests involved. In saying these things I do not suggest that the government condone any fraud in any location, but by very simple legal procedure the fraud can be sifted out of the situation, legitimate interests protected, and the government abundantly supplied. Under present conditions nobody is benefited; nobody gets anything; nature is idle. The industries of this Coast are being vastly injured. It is a case of injury all around and benefit to nobody. It does appear to me that this situation is of that importance that the President should take a firm hold and bring order out of chaos and permit a reasonable distribution of this oil along the rights found to exist. Whatever is done or contemplated should be done at once, as delays threaten serious disaster to California without the slightest advantage to the government. I do not often send communications to the authorities, but I know your familiarity with this subject; and if anything that I have said herein or anything that I may add thereto could induce the President to compel a reconciliation of the differences in the Cabinet so that this oil shall enter the service of the government and enter the industries and commerce, you are at liberty to use this telegram with the President or anybody else.

Commissioner Baruch also presented a report on the subject, of date May 24, 1917, from Van H. Manning, Director of the Bureau of Mines.

Commissioner Baruch then read and submitted the following resolution, which was unanimously adopted:

148 Whereas petroleum is a vital necessity in carrying on the war; and

Whereas, according to best estimates, the stocks on hand on January 1, 1917, amounting to 150,000,000 barrels, will be decreased, at the estimated rate of production and consumption, by January 1, 1918, to 80,600,000 barrels; and

Whereas, in the event of an embargo or a cessation of the supply of oil from Mexico, the stocks on hand January 1, 1918, may further decrease to 38,600,000 barrels; and

Whereas, at the estimated rate of consumption and production, the stocks on hand will be practically depleted on January 1, 1919, even with continued supply of oil from Mexico: Therefore be it

Resolved, That the Advisory Commission of the Council of National Defense urge upon the Council the necessity for immediately taking all possible steps, including the recommendation to Congress of the enactment of whatever legislation may be necessary, to increase the present available supply of oil.

Thereupon, at 11:00 o'clock a. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

149 Minutes of Meeting of the Advisory Commission of the Council of National Defense, July 8, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on July 8, 1917, at 10:00 o'clock a. m. at the offices of the Commission. There were present all members of the Advisory Commission except Commissioner Gompers. The Director was also present.

The minutes of the preceding meeting of the Commission were approved as read.

The Director stated that he had presented to the Council the resolution adopted by the Advisory Commission at its meeting of June 14, 1917, urging the necessity for an increased production of oil, and that action had been deferred awaiting a report on the subject from the Federal Trade Commission.

Chairman Willard reported that the special committee appointed by the Council at the joint meeting of June 13, 1917, to consider the adjustment of labor disputes arising in plants operating under contract to furnish supplies for the government had virtually reached an agreement, and that the matter was now in the hands of Secretary Wilson for report to the Council.

The meeting was then devoted to a general discussion of matters to be taken up with the Council at the joint meeting called for July 9, 1917. Thereupon, at 1:30 o'clock p. m., a recess was taken until 3:15 o'clock p, m., at which time Chairman Willard agreed to present a tentative letter to the Council embodying the matters discussed.

150 **The Meeting Reconvened at 3:15 o'Clock P. M.**

Commissioner Gompers was absent.

Chairman Willard brought up for criticism a letter he had prepared to read at the joint meeting, presenting the points discussed earlier in the day. After further discussion, it was decided to reconvene at 9:00 o'clock p. m., at which time Commissioner Gompers could be present and express his opinion upon the aforesaid letter. It was also agreed to ask Commissioner Gompers for a full statement of the labor situation.

Thereupon, at 6:10 o'clock p. m., a recess was taken until 9:00 o'clock p. m.

The Meeting Reconvened at 9:30 o'Clock P. M.

All members of the Advisory Commission and the Director were present.

Chairman Willard again presented the letter he had prepared, addressed to the Chairman of the Council, which was unanimously approved in the following form:

The members of the Advisory Commission are deeply impressed by the seriousness of the situation which confronts this Nation, and they are mindful also of the duty, placed upon them by the law, to advise the Council of National Defense as best they may, concerning matters affecting the Nation's welfare and safety.

The Commission, being apart from and not a part of the Government, is probably not fully advised concerning the progress actually being made in connection with the war program, but with such knowledge of the situation as it happens to have, it feels much concerned about certain phases of the problem, namely:

(a) Necessity for central authority and decisive information.

(b) The development of new and substitute sources of supplies, such as toluol, oil, and nitrates.

151 (c) The following up of orders for material already placed.

(d) The shipping problem, particularly concerning the best use possible of such facilities as we now have.

(e) The distribution of raw and manufactured materials in accordance with the relative urgency of the various demands.

(f) The settlement of the question of prices on certain raw materials and finished products as related to the progress of the war program.

(g) The obtaining of information in regard to sanitary and safety requirements and such recognition of plans by the departments as will give assurances that such plans are executed

We are confident that you will agree that the matters above referred to are a few that have a very intimate, if not controlling, influence upon the satisfactory outcome of the war.

Arrangements have been made to raise, equip and train 500,000 or 1,000,000 of our young men as soldiers to kill or be killed in the solution of this great conflict.

It has been estimated that the cost of the war at the present time is not less than $100,000,000 daily, and that about 15,000 lives are lost each day, not including the wounded.

There is no duty resting upon this nation or the people within the nation, so important as the winning of the war. Everything that is humanly possible, and which will contribute toward the successful outcome of the war, ought to be done. Every activity not directly related to the war program should be subordinated to those things essential to the winning of the war. It may be that everything possible is now being done by the Government and its several agencies to accomplish the success of our arms—to bring about an early ending of the war, and to save as far as possible the lives of our young men. We hope that such is actually the case, but because of information which reaches us from different sources, apparently of a reliable nature, we

are filled with doubts, and where the stakes are so great and the cost so terrible, we think that it is our duty to acquaint you with our feelings of concern.

It is uppermost in the minds of all of us that we must be victorious in this war. Everything should be subordinated to that end. The entire resources, wealth and manhood of this nation have been pledged and are at stake, and all those who because of their position are supposed to be in any way potential in connection with this program, will be held to a strict and terrible responsibility should it develop that the war is unnecessarily prolonged even for a single day, with its enormous toll of life and treasure, because of anything they did or failed to do in connection therewith.

152 The feeling of doubt and uncertainty which disturbes us at the present time, we find increasingly manifest in the minds of others, and such doubt is either justified by the facts or it ought to be dispelled. If it is justified, conditions cannot be remedied too promptly. If it is not justified, we ought to be in position to give such assurance in the broadest and most definite terms.

Commissioner Gompers discussed the labor situation at length, and agreed to present definite recommendations in writing at the next meeting.

Thereupon, at 11:00 o'clock, p. m., the meeting adjourned until July 9, 1917, at 11:00 o'clock, a. m

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

153 Minutes of Meeting of the Advisory Commission of the Council of National Defense, July 9, 1917

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on July 9, 1917, at 11:00 o'clock a. m., at the offices of the Commission. There were present all members of the Advisory Commission and the Director.

The meeting proceeded to a further discussion of the letter prepared by Chairman Willard for presentation to the Council. It was thereupon moved by Commissioner Gompers, seconded by Commissioner Martin, that the proposed letter be not presented to the Council, but that instead the Chairman should make a preliminary oral statement presenting the subject matter of the letter, with the specific points enumerated therein, which would lead to an open discussion in which the subject might be covered in such fashion as seemed best to the members of the Commission individually.

It was so voted.

Thereupon, at 1:30 o'clock p. m., a recess was taken until 3:00 o'clock p. m.

The Meeting Reconvened at 3:00 o'Clock P. M.

Commissioner Coffin was absent.

Chairman Willard submitted the following outline of specific points to be discussed at the joint meeting with the Council, which met with the approval of the Commission:

154 (a) Necessity for central authority and decisive information.

(b) The development of new and substitute sources of supply, such as toluol, oil, and nitrates.

(c) The following up of orders for material after placed.

(d) The shipping problem, particularly concerning the best use possible of such facilities as we now have.

(e) The distribution of raw and manufactured materials in accordance with the relative urgency of the various demands.

(f) Question of prices on certain raw materials and finished products as related to the progress of the war program.

(g) The obtaining of information in regard to sanitary and safety requirements and such recognition of plans by the departments as will give assurance that such plans are executed.

Commissioner Gompers continued his discussion of labor problems, and in closing stated that he had certain definite recommendations to make to the Commission. It was agreed that a special meeting for the purpose would be called at the earliest practicable date.

Thereupon, at 4:00 o'clock p. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

155 Minutes of Meeting of the Advisory Commission of the Council of National Defense, July 12, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on July 12, 1917, at 2:30 o'clock p. m., at the offices of the Commission. There were present all members of the Commission except Commissioner Godfrey. Commissioner Coffin entered at 3:15 o'clock. The Director was present.

The minutes of the preceding meeting were read and approved as corrected.

Commissioner Gompers referred to a request of Robert D. Kohn, chairman of the subcommittee on structural safety of the Committee on Labor of the Advisory Commission, that members of his committee be given opportunity to outline to the Commission a proposed plan for safeguarding workmen. It was moved by Commissioner Rosenwald, and so voted, that such a hearing be granted. Chairman Willard thereupon called a special meeting for the purpose on July 17, 1917, at 11:00 o'clock a. m.

Chairman Willard reported that the special committee, consisting of Secretary Wilson, Secretary Redfield, Commissioner Gompers, and himself, appointed by the Council to consider plans for a Labor Adjustment Commission, had failed to reach an agreement; and that Secretary Wilson would report for the Committee at the next joint meeting of the Council and Advisory Commission.

Commissioner Coffin entered the meeting at this point.

There ensued a discussion of the proposed plan of reorganization under consideration by the Council, and of the advisability of
156 taking up further with the Council the points enumerated in the letter prepared by Chairman Willard and orally presented by him to the Council at the last joint meeting. It was suggested that before a further discussion of those points was had with the Council, it would be well to be prepared to submit definite recommendations designed to remedy any deficiencies that might be suggested. Commissioner Martin agreed to present at the next meeting

the definite outline of a plan he had in mind, and the Chairman suggested that other members of the Commission consider the subject and bring to the meeting any definite recommendations that might occur to them.

Thereupon, a 4:20 o'clock p. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

157 Minutes of Meeting of the Advisory Commission of the Council of National Defense, July 17, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on July 17, 1917, at 11:00 o'clock a. m., at the offices of the Commission. There were present Chairman Willard, Commissioners Baruch, Gompers, Martin, and Rosenwald, and the Assistant Secretary.

The minutes of the preceding meeting were approved.

Commissioner Gompers introduced the following gentlemen, members of the sectional committee on industrial safety of the subcommittee on welfare work of the Committee on Labor, who appeared to discuss plans for safeguarding workmen in plants operating under government contract:

L. R. Palmer, President National Safety Council.
Robert D. Kohn, Architect, New York City.
M. A. Dow, General Safety Agent New York Central Lines.

It was the sense of the meeting that while the Advisory Commission favored the principle of safeguarding workmen in every possible manner consistent with a full prosecution of the war program, it would be inadvisable in the absence of concrete recommendations by students of the problem for the Commission to take any definite action. Accordingly the committee agreed to prepare for the Commission a brief statement in writing outlining the definite things essential to bring about the results they desire, and stating just what bearing those points have upon the war program.

158 The Director submitted for Commissioner Godfrey a report of a joint conference of the Educational Section of the Committee on Engineering and Education of the Advisory Commission, held in Washington, July 3 and 4, 1917, with definite recommendations as follows:

The college and university division of the education section of the Advisory Commission of the Council of National Defense has continued its study of the question of how our colleges may be of the greatest service to the country, both in the prosecution of the war and in the period of reconstruction that must follow its close.

At the conference of representatives of American colleges and universities held in Washington on May 5th, the Secretary of War strongly advised that, while adapting themselves to the special needs of the war, these institutions should also maintain their general educational work and standards, and that young men should be urged to continue their training as far as might be consistent with the needs of the Government for special service. Since that meeting public statements to the same effect have been made by the President of the United States and the United States Commissioner of Education.

The judgments thus expressed have been confirmed by distinguished representatives of Canadian universities, who have come to Washington to give the committee the benefit of the lessons learned from their experience during the war.

As a result of its study and conference, the committee now makes the following recommendations, carrying out more specifically the purpose of the resolutions adopted at the conference of May 5th, to the end that their students may before entering active service reach the point of highest military efficiency, and that the supply of trained and educated men may not be cut off more than is necessary, either during the war or after its close:

We recommend, first, that each college endeavor to induce its students to continue their studies, at least until the age of conscription, and that students above that age who are not called to special service and who have not completed their education should be urged to do so.

We recommend, second, that each college make provision by any available means for military drill for all of its students who are physically fit.

159 We recommend, further, that at a point approximately one year before the military age, provision be made wherever possible for a course in military science and tactics, such course to be substituted for one of the regular studies and to be given equivalent credit.

It was moved by Commissioner Gompers, and so voted, that the said recommendations be submitted by the Director to the Council with the approval of the Commission.

The Director read into the record the following report of Commissioners Coffin and Martin, heretofore appointed a special committee to investigate the legal status of German-owned patents in the United States and submit to the Commission recommendations as to the proper procedure to be followed to permit the manufacture in this country of the subject matter of German (owned) patents:

First, your Committee is advised that the legal status of German (owned) patents is the same as it was before war was declared.

Second, the recommendation of your Committee as to the proper procedure to permit the manufacture in this country of the subject matter of German (owned) patents is as follows:

Assuming that the question is as to their use in producing supplies for the Government, we are advised that a contractor of the Government is protected against suits for infringement on the theory that he is an agent of the Government, and since the Government has the right to acquire patent rights for a reasonable compensation by condemnation, the only remedy of the patentee is by action against the Government in the Court of Claims for a reasonable compensation. This position will be strengthened by an order, under Sec. 120 of the Act of Congress approved June 3rd, 1916, by the Secretary of any Department commanding the contractor to proceed with the execution of the contract and to use the device or method covered by a certain patent.

The Director read into the record the following provision of the espionage law recently enacted by Congress:

160 SEC. 1. * * * (e) Whoever, being intrusted with or having lawful possession or control of any document, writing, code book, signal book, sketch, photograph, photographic negative, blue print, plan, map, model, note, or information, relating to the national defense, through gross negligence permits the same to be removed from its proper place of custody or delivered to anyone in violation of his trust, or to be lost, stolen, abstracted, or destroyed shall be punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or both.

Thereupon, at 1:00 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

161 Minutes of Meeting of the Advisory Commission of the Council of National Defense, July 18, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on July 18, 1917, at 10:00 o'clock

a. m., at the offices of the Commission. There were present Chairman Willard, Commissioners Baruch, Coffin, Gompers, Martin, and Rosenwald, the Director, and the Assistant Secretary.

The minutes of the preceding meeting were approved as read.

Commissioner Coffin offered the following resolution:

Whereas in the repeated attacks made on the floor of the House and of the Senate during the past week upon the Council of National Defense, its Advisory Commission, and the advisory committees connected therewith, there has been shown a great misinformation and misunderstanding of the work and methods being pursued under the direction of these advisory bodies; and

Whereas such misunderstanding creates great uncertainty and delays in the handling of matters vitally affecting the successful prosecution of the war: Be it therefore

Resolved, That it is the sense of the members of the Advisory Commission that it is of the greatest importance that there be provided a definite channel of contact through which the legislative bodies of the Government or the members thereof may be kept thoroughly informed of the objects and activities of the Council of National Defense, its Advisory Commission, and all committees connected therewith, to the end that there may be established a better mutual understanding of the problems, methods, and accomplishments in all branches of the service involved in the conduct of the war.

After some consideration of the foregoing resolution, Commissioner Martin suggested that further discussion be deferred
162 until he had outlined a plan which had an indirect bearing thereon. Commissioner Martin thereupon presented the following:

The President, in a time of peace, appointed the Council of National Defense, consisting of six members of his Cabinet, and an Advisory Commission, consisting of seven civilian experts, each representing some industry or profession.

This Council of National Defense and this Advisory Commission were organized with special reference to the military defense of the country. With the entrance of this country into the war, the Council of National Defense and the Advisory Commission, of necessity, assumed the duties of a War Council, and have executed this trust in such a manner as to command the admiration of all patriotic and well-thinking people.

Now it has become apparent that this Council, in order to conduct the war in a decisive way, to make it effective, and to eliminate certain criticisms due to its alleged lack of power, must exercise more fully the authority that it already possesses, or it must relinquish the business for which it was created to new agencies of organization, or an additional or entirely new personnel. It seems as unwise as it seems unnecessary that the machinery that has been so carefully planned, and so well organized, and that has accomplished such marvelous results with so few mistakes, should be abandoned or materially changed for some untried organization.

Careful analysis of the workings of the present organization which have led to misgivings on our part and to criticism on the part of the public, indicates the following facts:

1. That while there is no lack of central authority, inherent in the Council, there is an apparent lack because the authority possessed by the organization has not been fully assumed and exercised.

2. That while there is no actual reason why decisive information on all subjects pertaining to the defense of the nation may not be obtained by the members of the Advisory Commission, a too narrow interpretation of the law has caused the Commission to neglect its full authority in obtaining information, and its usefulness has been correspondingly impaired.

3. That there should be a greater concentration of effort on the part of the thirteen members of the Council on the actual problems of the defense of the nation, more frequent conferences in order to coordinate more fully their efforts, closer relations established between the Council and the Com-
163 mission and its more important committees, and the more independent bodies dealing with the conduct of the war, and finally with the President, to whom the whole defense machinery is responsible.

Therefore, the following plan which will modify the workings of the present organization in a way to eliminate its objectionable features and retain its fundamental essentials is suggested:

1. The Council of National Defense, consisting of six members of the Cabinet, and the Advisory Commission, consisting of seven civilian experts, as they are now constituted, should remain without change.

2. In the conduct of the affairs of the Council the Secretary of War and the Secretary of the Navy, who already have the legal power to fix prices, to make purchases, and to authorize contracts for the Army and for the Navy, should act as ex-officio members of the General Munitions Board, and with the Chairman of the Munitions Board, should act as the War Purchasing Board of the Council of National Defense, which Board should finally approve all contracts and authorize the purchase of materials by directing the present authorized agents of the Government now serving in the two departments, the Army and Navy.

3. Joint meetings of the Council of National Defense and the Advisory Commission should be held at least once each week at a specified time at which meetings each member of the Advisory Commission will be requested to report to the Council of National Defense concerning the progress of his special work.

4. Each month a joint conference should be held to which the President should be invited and at which the Secretary of War should preside; said conference to be known as the General War Council, and which shall consist of the members of the Council of National Defense, the Advisory Commission, the Chief of Staff of the Army, the Chief of Construction of the Navy, the Chairman of the Food Control Board, the Chairman of the Shipping Board, the Chairman of the Federal Trade Commission, and the Chairman of the General Munitions Board. At this conference should be presented carefully prepared reports by the Chairman of the principal committees of the Advisory Commission, the Chairman of the Shipping Board, the Chairman of the Food Control Board, the Chairman of the Federal Trade Commission, and the Chairman of the General Munitions Board, summarizing the activities of their respective committees or departments.

164 With the aid of a graphic chart, Commissioner Martin enlarged upon the foregoing plan, and there ensued a general discussion, in the course of which Commissioner Coffin was obliged to retire from the meeting to keep other engagements.

Thereupon it was moved by Commissioner Gompers, seconded by Commissioner Rosenwald, that the plan presented by Commissioner Martin be submitted to the Council with the recommendation that it be given consideration in connection with reorganization plans now pending; and with the further suggestion that it might afford a means of more effectively administering the present organization, at least until such time as a reorganization be decided upon. Upon a vote the foregoing motion was carried. Commissioner Baruch voted against the resolution, stating that while he did not object to the plan as far as it went, he felt that it stopped short of the necessary centralization of authority.

The Director was instructed to present the proposed plan to the Council in accordance with the foregoing resolution, conveying as clearly as possible the intent of the Commission as developed by the discussion.

Upon motion of Commissioner Gompers it was voted that the Chairman of the Commission address a letter to the Chairman of the Council, expressing the deep concern felt by the Commission at the apparent delay in prosecuting the shipbuilding program, and urging the vital importance of immediate action to remove all obstacles in the way.

It was moved by Commissioner Gompers, and so voted, that final vote upon the resolution offered by Commissioner Coffin and hereinabove set forth, be deferred until another meeting of the Commission.

Thereupon, at 12:00 o'clock a. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

165 Minutes of Meeting of the Advisory Commission of the Council of National Defense, August 1, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on August 1, 1917, at 10:30 o'clock a. m., at the offices of the Commission. There were present Chairman Willard, Commissioners Baruch, Godfrey, Gompers, and Coffin (who entered the meeting at 11:40 o'clock), the Director, and the Assistant Secretary.

The minutes of the preceding meeting of July 18, 1917, were read and approved.

The Director referred to a letter of date July 24, 1917, from E. H. Williams, of Leetonia, Ohio, to Secretary Baker, concerning a law enacted in West Virginia requiring all able-bodied men to work a certain number of hours each week. The Director also produced a copy of the said law, entitled "An act to prevent idleness and vagrancy in West Virginia during the continuance of the war in which the United States is now engaged", passed May 19, 1917, and approved by the Governor May 21, 1917. The Director was instructed to ascertain from the State Council of Defense of West Virginia as complete information as possible concerning the law and the result of its enactment.

The Director read the following letter, of date July 28, 1917, to Commissioner Gompers from John A. Voll, President Glass Bottle Blowers' Association:

As I telegraphically advised you, it was impossible for me to go to
166 Washington in response to your request for a conference regarding the bottle-blowing situation. As it developed, the convention of the Glass Bottle Blowers' Association of the United States and Canada was in session at the time and whatever good might have been accomplished by my coming to Washington would have been greatly offset by my absence from the convention.

Your telegram to the convention was received with keenest interest aroused. For convenience, I quote that telegram here:

WASHINGTON, D. C., *July 17, 1917.*

Mr. JOHN VOLL,
Hotel Tuller, Detroit, Mich.:

The Council of National Defense has placed in my hands the following matter to bring to your attention: Surgeon General Gorgas, of the United States Army, advises that the Medical Department of the Army is faced with a very serious difficulty in obtaining glassware, and especially bottles as containers for medical supplies. Some manufacturing chemists who are furnishing medicines for the army indicate their great difficulty in obtaining bottles. They urge that some agreement be reached between your Association and the manufacturers that at your joint conference not to cease work this summer or at least to curtail the period considerably. Of course, I know how necessary to the health and welfare of the glass blowers is their summer cessation from work, and yet the critical situation in which our country is placed requires that we should make some sacrifice, and I feel confident that something of a tangible character will

be done by the man represented by your great organization to meet the emergency in some practical manner.

SAMUEL GOMPERS,
Chairman Committee of Labor, Commission Council of National Defense.

Without discussion and by unanimous vote, the entire subject matter with which your telegram deals was referred to the officers of our Association, with power to take such action as in our judgment may be necessary to comply with the actual needs of the Government insofar as they apply to the soldiers and sailors, our men who are fighting for justice and democracy.

It is needless for me to say to you that the cessation of work in our industry during a part of the summer is really essential to the health and lives of our men. The intensity of the heat, the driving force of economic pressure makes a stoppage of work in our industry during the summer essential so that the health of the men may not be too greatly impaired and that their lives
167 may not be unduly shortened, and indeed by this vacation of two weeks in part of the industry and one month in the other, makes for greater production in the long run.

And yet we realize that as a patriotic and humanitarian service the men in our trade who are engaged in the making of bottles for the medical department and the needs of our soldiers and sailors can and will make the sacrifice of whatever may be required by continuing operation in the making of glass bottles during this summer and without interruption.

There is one factor which I desire to bring to your attention—that we must insist that no advantage shall be taken of our offer by the glass manufacturers who are not engaged in the production of bottles for the need of the men in the army and in the navy.

Nowhere in our country is there a group of men more enthusiastically patriotic in the determination that everything shall be done to win this war for freedom and democracy than the members of our Association, and the offer we make, as herein set forth, is in compliance with the self-sacrificing thought and feeling of the men I have the honor to represent.

I am sure it would interest you to know that both the above-quoted telegram as well as your telegram of fraternal greetings were received by the officers and delegates to the convention with sincerest and heartiest appreciation.

The Director was requested to bring the aforesaid letter to the attention of the Council of National Defense, and to transmit a copy thereof to Commissioner Martin to bring to the attention of the Surgeon General of the Army.

Commissioner Coffin entered the meeting at this point.

The Director read a letter, of date July 27, 1917, from the President of the Heine Safety Boiler Works, Phoenixville, Pa., concerning industrial exemptions, which stated that their force of men was being depleted to the detriment of their contracts with the United States Shipping Board through the operation of the selective draft, the men refusing to sign exemption claims in their own behalf. No action was taken.

168 At this point Commisisoner Baruch asked to be excused from the meeting. Chairman Willard read the following resolution:

Whereas the necessities of the conduct of the war have drawn into military service a large number of the civilian engineers of this country and have thereby seriously depleted the nation's normal force of professional engineers; and

Whereas further urgent demands have been received in this country, within the past few days, for all classes of engineers familiar with railroad construction and wharf, pier, and terminal work for service with the United States Army in France; and

Whereas several thousand competent and highly trained engineers in the United States, both in government service and in the employ of railroads and other corporations, are now engaged in the work of valuation of public utilities

under the law of March 1, 1913, which work is not in any way necessary to the conduct of the war, nor will its results be of any value in the prosecution of the war;

Now, therefore, the Sub-Committee on General Engineering, of Section 5 (Engineering and Education) of the Advisory Commission of the Council of National Defense, resolves to recommend most strongly to the Council of National Defense, and through it to the President of the United States, that the action of the law of March 1, 1913, requiring the valuation of the railroads of the United States be temporarily suspended so as to utilize the engineering talent and man power now engaged on that work in lines more necessary to the immediate prosecution of the war.

The Director read the following letter prepared by Chairman Willard to be sent to the Council:

At a meeting of the Advisory Commission, held this date, consideration was given to the subject of Federal Valuation of Railways, and particularly to the number of men now employed in that connection. Inquiry developed the fact that there are now engaged on that work about 6,500 men, of whom 4,596 are Civil Engineers. This work is being carried on in accordance with an Act of Congress, and at an estimated cost to the railroads and the Government of about $8,000,000 a year. It is not from this point of view, however, that we have considered the matter, although the amount of money involved is not inconsiderable. We have tried to view it solely as developed by the ques-
169 tion: Are these men and is this money being used in such a way as to contribute to the winning of the war? We do not think so, and we recommend that during the continuance of the war all work in connection with the physical valuation of the railroads be discontinued, and the men—engineers and others—now engaged in that work, be thereby made available for other and more immediately important employment. We also recommend that work now under way should be brought to such a state of completion as to preserve, so far as possible, the full benefit of what has already been done. This recommendation is unanimously approved by the Advisory Commission.

It was voted, upon motion of Commissioner Gompers, that the foregoing resolution and letter be approved and presented to the Council.

Thereupon at 12:40 oclock p. m. the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

170 Minutes of Meeting of the Advisory Commission of the Council of National Defense, August 6, 1917

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on August 6, 1917, at 10:30 o'clock, a. m., at the offices of the Commission. There were present all members of the Commission except Commissioner Baruch; the Director and the Assistant Secretary.

The minutes of the preceding meeting of August 1, 1917, were read and approved.

The Director stated that the resolution of the Committee on Engineering and Education, and the letter of Chairman Willard, recommending suspension of work in connection with the federal valuation of the railways, had been presented to the Council pursuant to action of the Commission taken at its last meeting, and that the Council had requested further information from Chairman Willard as to the shortage of engineers which the Advisory Commission had in mind as making necessary the action recommended. Commissioner Godfrey agreed to obtain a statement of the vacancies in engineering lines, and Chairman Willard stated that he had asked for similar data from the railroads.

After some discussion of the position which the Advisory Commission should assume with relation to applications of osteopaths for commissions in the medical reserve corps, Commissioner Martin agreed to present for consideration at the next meeting a resolution directed to that subject.

171 Commissioner Coffin presented the following resolution, it being a revision of a similar resolution presented and set forth in the minutes of the meeting of July 18, 1917:

Whereas in the frequent attacks made on the floor of the House and the Senate during the past weeks upon the Council of National Defense, its advisory Commission and the advisory committees connected therewith, there has been shown a serious lack of information as to the character of the work being carried on under the direction of these advisory bodies; and

Whereas this dangerous situation has been brought about through the absence of any proper and duly authorized channel for the transmission of information between the members of the legislative bodies and these advisory arms of the service: Be it therefore

Resolved, That it is the sense of the members of the Advisory Commission that it is essential to the national securtiy and welfare that there be provided a definite channel of contact through which the legislative bodies of the Government or the members thereof may be kept thoroughly informed of the objects and activities of the Council of National Defense, of its Advisory Commission, and of all committees connected therewith, to the end that there may be established a better mutual understanding of the problems, methods, and accomplishments in all branches of the service involved in the conduct of the war.

After a general discussion, Commissioner Coffin withdrew the foregoing resolution.

Commissioner Coffin called attention to the need of adequate space in some building in Washington in which to carry on the important and rapidly expanding work of standardization of war equipment of all kinds, suggesting that the Bureau of Standards might well be provided with enlarged facilities for the purpose, and agreed to embody his suggestions in a resolution for the consideration of the Commission.

172 Upon motion of Commissioner Coffin, the following resolution was adopted:

Resolved, That it is the sense of the Advisory Commission that the question of industrial exemptions under the selective draft is of very serious importance, and as there seems to be a lack of authoritative information as to how it is to be administered, that the Council of National Defense be requested to obtain as soon as practicable full information upon the subject.

Commissioner Martin read the report of the General Medical Board, of date August 6, 1917. He was requested to present for the consideration of the Advisory Commission resolutions covering the specific recommendations contained in the aforesaid report.

Thereupon, at 1:00 o'clock p. m., the meeting adjourned, to reconvene at 3:00 o'clock p. m.

The Meeting Reconvened at 3 o'Clock P. M.

There were present Chairman Willard, Commissioners Godfrey, Gompers, and Martin, the Director and the Assistant Secretary.

Commissioner Martin read the following resolution, which was adopted:

Whereas it is important in the interest of the general welfare and the success of the program of national defense that there should be a thorough and complete coordination between all departments having to do with the public health; and

Whereas the Council of National Defense may at any and all times require accurate and accessible information regarding the sanitary conditions of all branches and stations of the military forces, and of the civilian communities with which the armed forces may have communication; and

173 Whereas the sanitation of industrial communities serving the Government is a matter of prime importance to the success of the war: Therefore be it

Resolved, That there should be established a central recording office of sanitary information, with a recorder in charge, and with suitable clerical and other facilities as may be required to properly assemble and record exact data relating to the sanitary and health conditions of all camps and surrounding communities, all hospitals and hospital ships, naval bases and vessels, and important industrial communities, etc.; and be it further

Resolved, That the Surgeon General of the Army and the Navy and Public Health Service be directed to cooperate fully in the work of compiling and furnishing to the Recording Office so established such information as may be required, to the end that the health of the armed and civilian population may be most accurately known and effectively safeguarded.

Memorandum: This matter, if desired, can be undertaken by the Medical Section of the Council of National Defense.

Thereupon, at 4:10 o'clock p. m., the meeting adjourned.

Attest:

(signed) MORTON WALKER,
Assistant Secretary.

174 Minutes of Meeting of the Advisory Commission of the Council of National Defense, September 6, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense, on September 6, 1917, at 2:30 o'clock p. m., at the offices of the Commission. There were present all members of the Commission except Commissioner Baruch and Commissioner Gompers; the Director and the Assistant Secretary.

The minutes of the preceding meeting of August 6, 1917, were approved as read.

With reference to the resolution presented by Commissioner Martin, suggesting a plan of coordination between all government departments concerned with the public health (which resolution was submitted to the Council at the joint meeting of August 6, 1917, and is set forth in full in the minutes of that date), the Director stated that the Council had asked for the recommendations of the Surgeons General and in the light of the replies received had thought it inadvisable to proceed along the lines suggested. Commissioner Martin thereupon stated that he had modified his recommendations in a manner designed to meet objections, and would bring the subject up later.

Pursuant to request made of him at the meeting of August 6, 1917, Commissioner Martin submitted the following resolution, which he stated represented the present law on the subject.

175 *Resolved*, That candidates for commissions in the Medical Corps or in the Medical Reserve Corps of the Army and Navy shall be graduates of reputable schools legally authorized to confer the degree of Doctor of Medicine, and shall be required to pass the examinations, mental, moral, and physical, now required by law and regulations, without exclusive adherence to any particular school of doctrine or practice.

It was agreed that no further action should be taken at this time upon the foregoing resolution.

The Director read the following from the minutes of the Council of September 5, 1917:

Upon motion of Secretary Lane, it was voted that the Director request the Advisory Commission to give careful consideration to the general policy to be pursued toward aliens in this country, particularly with reference to their Americanization, the possible danger from their presence in munition plants, and their relation to military service, studying all phases of the subject, including its legal aspects, and make recommendations for action, either legislative or otherwise.

Upon motion of Commissioner Coffin, it was voted that Frank Trumbull, Chairman of the National Americanization Committee, New York City, be requested to appear before the Commission at an early date, accompanied if he so desired by a small committee, and present his recommendations in connection with the alien problem. Thereupon, Chairman Willard stated that he would communicate with Mr. Trumbull at once in an endeavor to obtain his presence at a meeting of the Commission on September 12, 1917, at 10:00 o'clock a. m.

The Director read the following letter, of date August 27, 1917, from Commissioner Gompers, bearing the endorsed approval of Secretary Wilson:

I have the honor to present herewith a resolution for the establishment of a War Labor Board, together with an explanatory memorandum. Under the present conditions such a board can, in my judgment, render a great service.

176 It is important to add that the Secretary of Labor has examined this plan and has given it his approval.

I cordially recommend to the Commission the adoption of this resolution and its transmission to the Council of National Defense for its action thereon.

The Director thereupon read the resolution presented by Mr. Gompers with the foregoing letter, as follows:

That a War Board of five members be appointed by the Council of National Defense, to consist of one representative of the Department of Labor, one of the American Federation of Labor, one of the Special War Boards (War Industries Board, Shipping Board, Aircraft Production Board, etc.), one of employers, and one of technical and professional labor.

Its duties shall be:

1. To secure and digest information from all governmental agencies which require an immediate additional supply of labor.

2. To formulate methods by which the demand may go most directly to the Department of Labor and to such other governmental and industrial agencies as can best meet such demand.

3. To formulate plans for meeting future additional war demands for labor.

4. To consider such new problems of labor as may be referred to it by the Council of National Defense or other governmental agencies and to secure and furnish information to them or to such others as may be referred to the board by them.

5. To do such other things as the Council of National Defense may require relative to the employment of labor.

The foregoing resolution was unanimously adopted and the Director was requested to report to the Council the action taken.

Thereupon, at 4:00 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

177 Minutes of Meeting of the Advisory Commission of the Council of National Defense, September 18, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense on September 18, 1917, at 10:00 o'clock a. m., at the offices of the Commission. There were present all members of the Commission, the Director, and the Assistant Secretary.

It was agreed that the reading of the minutes of the preceding meeting be dispensed with.

The Chairman stated that pursuant to action taken by the Commission at its meeting on September 6, 1917, he had called this special meeting to discuss alien problems and had invited to be present Mr. Frank Trumbull, Mr. Felix Warburg, and Miss Frances Kellor, of the National Americanization Committee, of New York City.

The Chairman then read the following resolution passed by the Council of National Defense on September 5, 1917:

> Upon motion of Secretary Lane, it was voted that the Director request the Advisory Commission to gave careful consideration to the general policy to be pursued toward aliens in this country, particularly with reference to their Americanization, the possible danger from their presence in munition plants, and their relation to military service, studying all phases of the subject, including its legal aspects, and make recommendations for action, either legislative or otherwise.

Thereupon, Mr. Trumbull, Mr. Warburg, and Miss Kellor outlined the purposes and work of their Committee, and a general discussion ensued, after which they agreed to submit their recommendations for the benefit of the Commission in its consideration of the
178 subject matter of the foregoing resolution. They suggested that helpful information and recommendations might be given the Commission by Mr. Raymond Crisp, of the Bureau of Naturalization; Mr. P. P. Claxton, Commissioner of Education; and Mr. H. H. Wheaton, of the Bureau of Education.

It was agreed that a special meeting of the Commission should be held on Friday, September 28, 1917, at 10:00 o'clock a. m., at the offices of the Commission.

Thereupon, at 1 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

179 Minutes of Meeting of the Advisory Commission of the Council of National Defense, October 1, 1917

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense, on October 1, 1917, at 10:00 o'clock a. m., at the offices of the Commission. There were

present all members of the Commission except Commissioner Gompers, the Director, and the Assistant Secretary.

The minutes of the preceding meeting of September 18, 1917, were approved as read.

Chairman Willard stated that he had been advised by Frank Trumbull, Chairman of the National Americanization Committee, that the promised report to the Advisory Commission in connection with alien problems was being prepared in two sections, the first of which would be furnished the members of the Commission within the next few days and that the second section, which would require a longer time, would follow later. Chairman Willard also stated that at the suggestion of Secretary Lane he had explained to Mr. F. W. M. Cutcheon, of the legal department of the Red Cross, the inquiry the Commission had undertaken into alien problems, who had agreed to advise the Commission on the legal aspects of the subject. He further stated that he had advised the Chairman of the Council that the Commission had undertaken a careful study of the subject, which would be completed as rapidly as possible, but that a report sufficiently comprehensive to be of value would probably require some two months to prepare.

The Director reported that the present status of the plan for a labor Adjustment Commission was as set forth in the minutes of the
180 joint meeting of August 20, 1917, save that the Council, after the joint meeting of September 6, at which the National Industrial Conference Board presented its recommendations concerning the national labor situation, had agreed to call the advisory committee of that organization and representatives of national and international labor unions into conference with the Council, the date of which had not yet been set, in an effort to evolve some course of action designed to insure the closest possible harmony and cooperation between labor and industry.

The Director reported that he had brought before the Council the plan for a War Labor Board, approved by the Advisory Commission upon recommendation of Commissioner Gompers, set forth in full in the minutes of the Advisory Commission of September 6, 1917, and that the Council had voted to lay the matter on the table.

The Director stated that at the request of the Council he had prepared a suggested reply to a typical inquiry, outlining the policy of the Council toward new undertakings not immediately essential to the prosecution of the war. After discussion it was agreed that the announcement of some policy was exceedingly important, and that the Chairman should on behalf of the Commission urge such a recommendation at the next meeting.

The Director submitted the following budget, on the basis of which he stated there would result a deficiency of $130,000 in salary expenses in the appropriation for the Council organization for the fiscal year ending June 30, 1918:

181 *Salary budget for 9 months, from September 30, 1917, to June 30, 1918*

Total appropriation available for 9 months $436,000

Estimated available for salaries $250,000
Expenditures at present rate $256,000

	No. on payroll	Present rate 9 months	Estimated 9 months	Increase over present rate
Director's office	7	$13,185	$13,185	0
Secretary's office	6	9,660	9,660	0
Cooperation with States	32	27,495	27,495	0
Engineering & Education	0	0	0	0
Women's Committee	15	13,050	13,050	
Medical	29	24,765	24,765	0
Aircraft	24	17,100	0	[1] $17,100
Chief Clerk, etc	44	28,635	50,000	21,365
Statistics	18	19,575	55,000	35,425
Commercial Economy	16	17,085	26,000	8,915
Labor [2]	8	8,325	?	[2] ?
Total of above	199	178,875	219,155	48,605
War Industries, including Supplies and Raw Materials	78	73,350	133,360	60,010
Storage	5	2,920	31,500	28,580
Total War Industries	83	76,270	164,860	88,590
Grand Total	282	255,145	384,015	137,195

[1] Pending legislation provided separate appropriation for Aircraft.
[2] Committee on Welfare asks for $50,000, chiefly for traveling, printing, etc.

NOTE.—Railroad committee finances itself to the amount of $500,000 per year.

It was agreed that the foregoing budget should be submitted by the Chairman of the Council at the next meeting.

182 The Director referred to a letter, of date August 18, 1917, from Commissioner Gompers, submitting a report, of date July 20, 1917, of a special committee on the maintenance of uniform standards of the Committee on Labor, making recommendations for state legislation. After a full discussion it was decided to defer action upon the said report until such time as Mr. Gompers should be present.

Commissioner Godfrey stated that the full cooperation of the various engineering societies of the country had now been obtained and that a special engineering committee had been created under the section on Engineering and Education, to centralize and correlate the engineering resources and needs of the country. Thereupon, Chairman Willard stated that a letter which he had received from the President of the Western Society of Civil Engineers, offering their services to the government, had suggested to him the wisdom of recommending to the Secretary of War the utilization of the services of skilled civilian engineers in the supervision of government work throughout the country, thereby releasing for military duty the skilled technical army officers now detailed to that work. Commissioner Godfrey stated that the engineering committee recently created was in position to handle the matter if called upon, and it was agreed that the Chairman should make such a suggestion at the next joint meeting.

Thereupon, at 12:00 m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

183 Minutes of Meeting of the Advisory Commission of the Council of National Defense, October 3, 4, 5, 6, 1917

There was held a special meeting of the Advisory Commission of the Council of National Defense, on October 3, 1917, at 10:00 o'clock a. m., at the offices of the Commission. There were present Chairman Willard, Commissioners Coffin, Gompers, Godfrey, and Rosenwald, the Director, and the Assistant Secretary; also the following: Mr. Phillip Hiss, Chairman Committee on Housing of the Committee on Labor; Mr. Frank Morrison, Secretary American Federation of Labor, and Chairman Committee on Wages and Hours, Committee on Labor; Mrs. Ralph M. Easley, Secretary of the Executive Committee, Committee on Labor; Miss Harlean James, Secretary Committee on Housing; Mr. A. J. Rhodes, representing Navy Department employees at Jamestown, R. I.; Mr. Meyer Bloomfield, of the Emergency Fleet Corporation.

Chairman Willard stated that the meeting had been called to institute, at request of the Council of National Defense, an inquiry into the conditions surrounding the housing of workmen at various industrial centers and the effect of such conditions upon the production of war materials for the Government. Statements were made by those present, outlining the results of their investigation and experience, and various phases of the subject were discussed.

At 12:30 o'clock p. m. an adjournment was taken until October 4, 1917, at 10:00 o'clock a. m.

184 The Meeting Reconvened on October 4, 1917, at 10:00 o'Clock A. M.

And the discussion of the subject was resumed, with the following persons present, in addition to those present at the preceding session: Major W. A. Starrett, Chairman Emergency Construction Committee, War Industries Board; Mr. Otto Eidlitz, Architect and Builder, New York City; Mr. John Donlin, President Building Trades Department of American Federation of Labor.

The meeting adjourned at 1:00 o'clock p. m., until October 5, 1917, at 10:00 o'clock a. m.

The Meeting Reconvened on October 5, 1917, at 10:00 o'Clock A. M.

There were present Chairman Willard, Commissioners Baruch, Coffin, Godfrey, Gompers, and Rosenwald, the Director, and the Assistant Secretary. The discussion of the subject was resumed and was participated in by the following persons, in addition to those present at previous sessions: Mr. Jacob G. Schmidlapp, Banker and Philanthropist, Cincinnati; Mr. Hugh Frayne, Member of the War Industries Board; Col. Palmer E. Pierce, Member of the War Industries Board; Mr. W. H. Ham, Manager Bridgeport Housing Co., Bridgeport, Conn.; Mr. R. W. Thompson, Roebling Mfg. Co., Roebling, N. J.; Mr. Frederick Wood, Executive Manager Maryland Shipbuilding Plant, Bethlehem Steel Co., Sparrows Point, Md.; Mr. S. M. Vauclain, Vice President Baldwin Locomotive Works and Chairman Committee on Production of the War Industries Board; Admiral H. H. Rousseau, of the Emergency

185 Fleet Corporation; Miss Obernauer, of the Department of

Labor; Mr. John Nolen, Town Planning Expert; Mr. Lyall, Cotton Mill Operator, Passaic, N. J.

The Advisory Commission then went into executive session. It was agreed to adjourn until October 6, 1917, at 10:00 o'clock a. m. There were present Chairman Willard, Commissioners Coffin, Godfrey, Gompers, and Rosenwald, the Director, and the Assistant Secretary.

The following letter was approved:

At a joint meeting of the Council and Advisory Commission held on the 1st instant, the question of housing of workers engaged upon government contracts came up for discussion, and the Advisory Commission was requested to investigate the subject and report as soon as possible in connection therewith.

The Commission proceeded at once to obtain information concerning the matter. A considerable number of men and women conversant with the subject appeared before the Commission during the four days' hearing, among them being the following:

Mr. Phillip Hiss, Architect and Chairman of Subcommittee on Housing of the Committee on Welfare appointed by Mr. Samuel Gompers.

Mrs. Ralph Easley, Chairman of Welfare Department, National Civic Federation.

Miss Harlean James, Secretary Committee on Housing.

Mr. Otto Eidlitz, Contractor and Builder, New York City.

Mr. Jacob G. Schmidlapp, Banker and Philanthropist, Cincinnati.

Mr. Hugh Frayne, Member of War Industries Board.

Col. Palmer E. Pierce, Member of War Industries Board.

Mr. W. H. Ham, Manager Bridgeport Housing Co., Bridgeport, Conn.

Mr. R. M. Thompson, Roebling Mfg. Co., Roebling, N. J.

Mr. Frederick Wood, Executive Manager Maryland Shipbuilding Plant, Bethlehem Steel Co., Sparrows Point, Md.

Mr. S. M. Vauclain, Vice President Baldwin Locomotive Works and Chairman Committee on Production of War Industries Board.

Admiral H. H. Rousseau, of Emergency Fleet Corporation.

Miss Obernauer, of Department of Labor.

Mr. John Nolen, Town Planning Expert.

Mr. Lyall, Cotton Mill Operator, Passaic, N. J.

186 Mr. Meyer Bloonfield, of Emergency Fleet Corporation.

Mr. A. J. Rhodes, representing Navy Department employes, Newport, R. I.

Mr. John Donlin, President Building Trades Department, A. F. of L.

The men and women whose names are mentioned above gave their views at length concerning the several phases of the housing problems and particularly as related to the various activities connected with the progress of the war. The Commission had before it also a report setting forth in detail the results of the inquiry of the Housing Committee concerning this matter, copy of which is attached hereto and marked "Exhibit A."

The Advisory Commission, after careful consideration of the report and of the statements above referred to, recommends that a committee consisting of not less than five persons, one of whom should be a woman, be appointed by the Council of National Defense to investigate the whole subject and to recommend to the Council what, if any, action is necessary in connection therewith. The Commission believes that the situation is such that the committee should be requested to report in ten days after its appointment.

The Commission also recommends that in the future all agencies of the Government authorized to arrange for and to award contracts for war materials be required to give consideration to labor supply and housing conditions before contracts are finally placed and that contracts be so drawn as to assure provision for adequate labor supply and housing.

The Commission further recommends that so far as it may be practicable to do so, responsible agencies of the Government endeavor to distribute contracts in such a way as to prevent excessive and unnecessary concentration of workers in any one locality.

The Commission begs also to submit herewith a list of names (marked "Exhibit B") from which it believes a competent committee could be selected to deal with this matter in case the principal recommendations contained herein should be favorably considered by the Council.

The Director called attention to resignations which he had received from members of various cooperative committees of the Council, on account of Section 3 of the Food Bill. He pointed out that the War Industries Board was considering the matter and that, in his opinion, it would be necessary to have the various industries organize their own committees of the trade and accept the resignations of the present committees and advisory committees of the Government.

187 It was thought best to take no action for the present.

Thereupon, at 12:15 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

188 Minutes of Meeting of the Advisory Commission of the Council of National Defense, November 5, 1917

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense, on November 5, 1917, at 10:00 o'clock a. m., at the offices of the Commission.

There were present Commissioner Gompers (presiding) and Commissioners Baruch, Coffin, Godfrey, Martin, and Rosenwald, the Director, and the Assistant Secretary; also John Logan, of the Welfare Committee; Sir Charles Ross, of Canada; Mrs. Shipley Hollister, of Providence, R. I.; and the following members of the Section on Industrial Training, of the Committee on Labor of the Advisory Commission: H. E. Miles, Percy S. Straus, C. U. Carpenter, Arthur E. Holder, and Miss I. J. Gardner (representing Mrs. Gertrude Beeks Easley).

The Section on Industrial Training submitted its recommendations, as follows:

Having, without expense, its corps of high-priced experts, and invitations from the airplane and airmotor builders and munitions manufacturers to assist in developing training for themselves immediately, the Committee asks to be recognized by the Council and the Commission as a competent agency for the development of this instruction in the mechanical trades and as a clearing house of methods of instruction. Under such condition we would be in a position to learn by the errors in all efforts at training and profit by the successes. Thus the Committee's position would be clearly understood by the public and manufacturers.

Your Committee would suggest the need for a resident secretary in Washington who is an expert in this training for the purpose of coordinating the activities in the various states. It may be necessary that we have clerical assistance: funds for both these purposes should be provided.

189 Your Committee further suggests that funds be provided for the travelling and living expenses for the experts and labor representatives while engaged in this work for those who are not in a position to draw on company for organization funds.

There ensued a general discussion of the subject, in the course of which Sir Charles Ross outlined the experience in Canada; and Mr. Carpenter explained the plans for industrial training which have been carried out with such striking success in the shops of the Dayton Recording & Computing Machines Company, Dayton, Ohio. Mr. Miles, Mr. Straus, Mr. Holder, and Mrs. Hollister also spoke on various phases of the subject.

There followed a short executive session.

It was voted that the Advisory Commission approve in principle the recommendations of the Section on Industrial Training, and that the Director prepare and submit to the Commission a concrete plan to be recommended to the Council.

It was agreed to hold a special meeting of the Commission on Wednesday, November 7, 1917, at 10:00 o'clock a. m., at which John H. Derby, of the Committee on Welfare Work of the Committee on Labor, should be invited to be present to discuss a plan for the protection of workers in plants under government contract.

The following resolution, introduced by Commissioner Godfrey, was adopted, and the Director was requested to submit the same to the Council:

Whereas it has been brought to the attention of the Advisory Commission of the Council of National Defense that there is a serious shortage of trained technical men; and

Whereas this shortage threatens to become increasingly serious because of the great demand now being made by the Government and by industries
190 contributing to the war needs of the Government for men of technical training: Therefore be it

Resolved, That the Advisory Commission recommend to the Council of National Defense that students of engineering, veterinary medicine, and agriculture be excused from military service until they have completed their college courses.

Commissioner Coffin presented the following resolution, heretofore adopted by the National Research Council, with an accompanying graphic chart:

Whereas because of the present lack of any single definite and authorized channel of intercommunication between the United States and allied countries in technical, scientific, and industrial matters there is resulting much confusion, dissatisfaction in foreign countries, and duplication of effort on the part of governmental departments and industrial institutions, with the consequent serious loss of information, lessening of efficiency and rapidity to transmission of information to the parties or departments concerned; and

Whereas in order that there may be established an orderly procedure for the collection and tabulation of all technical, scientific, and industrial data of value to the military, naval, and industrial services in the successful prosecution of the war, and a proper channel for the transmission of information and the certification of the accredited representatives charged with the collection of such data, both in our own and in allied countries, it is the opinion of the National Research Council, based upon the recommendations of its Military Committee, that immediate steps be taken for the coordination of the technical, scientific, and industrial activities of the military and naval and civilian services and for the proper certification and direction of all agents or agencies now engaged in the collection of such material in all the countries engaged in the war: Therefore be it

Resolved, That the National Research Council urges as an essential to efficient action that a single and duly authorized channel of intercommunication in all matters pertaining to technical, scientific, and industrial development between allied countries be created in coordination with and under the direction of the naval and military services and maintained for the duration of the war, and that such joint agency have jurisdiction in the United States under the direction and control of the Secretary of War and the Secretary of the
191 Navy, and in allied countries under the direction and control of the American commanding general and the commanding naval officer within these territories, over the collection, tabulation, and transmission of all technical, scientific, and industrial data of value to the military, naval, and industrial services involved in the prosecution of the war, and the direction and control of all liaison technical and industrial personnel interchanged between the United States and allied countries, which is already large and could with advantage be considerably enlarged; and be it

Resolved, That the National Research Council further urges that such sums be set aside from sources available or to be made available as may be necessary for the establishment and maintenance of proper offices and personnel, both in the United States and in allied countries, for the purchase of office supplies, for printing, and for the pay and expenses of such clerical and technical assistants as may be found necessary for the successful accomplishment of the purposes for which this technical mission or channel of communication is created.

Upon motion of Commissioner Godfrey, it was voted that the foregoing resolution be approved in principle, and that it be recommended to the Council for consideration.

Thereupon, at 1 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

192 Minutes of Meeting of the Advisory Commission of the Council of National Defense, December 3, 1917

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on December 3, 1917, at 2:00 o'clock p. m., at the offices of the Commission. There were present all members of the Commission except Commissioner Baruch, the Director, and the Assistant Secretary.

The minutes of the preceding meeting were approved as read.

The Director stated that in accordance with the action of the Advisory Commission at its meeting of November 5, 1917, concerning industrial training, he had submitted the matter to the Council of National Defense and had been authorized to work out in detail, in consultation with Mr. Gompers and Mr. Willard, the exact method of procedure.

Commissioner Godfrey stated that the recent ruling barring voluntary enlistment after December 15, 1917, would have a serious effect upon technical and engineering schools generally, as technical students were planning to enlist before they were so barred. It was moved by Commissioner Gompers, and so voted, that Commissioner Godfrey should present the matter to the Council at the next joint meeting.

A general discussion was had of the advisability of some public announcement of government policy in the interest of thrift and economy. No action was taken.

Commissioner Willard stated that the War Industries Board had authorized the Chairman to obtain the services of a man as the
193 head of a new department to advise with manufacturers who have facilities to place at the disposal of the government, particularly with relation to the conversion to war purposes of those less essential plants that are threatened with a curtailment of their business.

Commissioner Gompers stated that he had good reason to believe that the great mass of the people, and probably many of our enlisted men, were not thoroughly informed as to the real causes for the entrance of the United States into the war. He therefore moved, and it was so voted, that every soldier and sailor be provided in his knapsack with a pamphlet containing the President's address to Congress of April 2, 1917, and other pertinent material, together with a simple and concise résumé of the reasons for the entrance of the United States into the war. It was agreed that the Chairman should

bring the matter to the attention of the Council at the next joint meeting.

Commissioner Gompers read a memorandum submitted by Mr. Ralph E. Wetter, of Dallas, Texas, urging some action to cultivate closer sympathy between this country and Sweden. Thereupon it was moved by Commissioner Coffin, and so voted, that the following resolution be submitted to the Council:

Whereas the propaganda being conducted by Germany in all countries, belligerent and neutral, hostile to the aims of the United States and her allies in this war is believed to be one of the most potent weapons employed by Germany: Be it

Resolved, That the Advisory Commission recommends to the Council of National Defense the taking of adequate and immediate steps looking to the counteraction of such propaganda.

It was voted that the following resolution be adopted and submitted to the Council:

194 *Resolved*, That no exemptions be claimed by the head of any government department in Washington for young men of draft age who have entered the government service since the beginning of the war, where their technical skill is not indispensable to the service in which engaged; and be it further

Resolved, That the Advisory Commission recommends to the Council of National Defense that the President be asked to issue an executive order to this effect.

The Director read the following recommendations submitted by a special Committee of the Committee on Labor in accordance with a request made by the Council that the Committee on Labor prepare a tentative bill to be submitted to state legislatures looking to enactment of legislation empowering the governors of the states to suspend labor laws in war emergency in accordance with the declaration of the Council heretofore made concerning maintenance of labor standards:

State Legislative Action should provide that the Governor of the State be empowered to suspend the State Labor Laws only upon the following conditions:

1. Upon notice from the Council of National Defense stating that a war emergency or that public welfare require such suspension.
2. That such suspension should be made only after public hearings had been held, reasonable notice (of not less than five days) of such hearings having been sent to the State Labor Department or State Labor Commission, to the plant, organization, and employees in the industry affected, and to the public by appropriate notice in the press.
3. That the particular provisions of the labor laws that are suspended and the length of time of suspension should be stated in a permit to be issued by the Governor.
4. That permits should be issued for limited periods not to exceed six months and to be renewed only upon rehearings.
5. That all permits should expire two months after the close of the war.
6. That the permits should be issued to individual plants and not to an entire industry and only to those plants that comply with all the state factory, building, and fire regulations.

195 7. That copies of all permits issued should be posted in conspicuous places in each factory or plant affected over the proper official signature.

It was voted that the foregoing recommendations be approved and submitted to the Council.

Thereupon, at 4:15 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

196 Minutes of Meeting of the Advisory Commission of the Council of National Defense, January 6, 1918

There was held a special meeting of the Advisory Commission of the Council of National Defense on January 6, 1918, at 11:00 o'clock a. m. at the office of the Commission. There were present all members of the Commission except Commissioner Baruch and Commissioner Gompers. The Director and Assistant Secretary were also present.

The minutes of the preceding meeting of the Advisory Commission were approved as read. The Director reported the following action of the Council on the several recommendations voted by the Commission at its meeting of December 3, 1917, and set forth in the minutes of that date:

With reference to furnishing enlisted men with information as to the real causes of the entrance of the United States into the war, the Director stated that a suitable pamphlet was now being prepared in cooperation with Mr. Gompers.

The Director stated that he had been advised by the Secretary of War that the recommendation of the Commission regarding propaganda in neutral and belligerent countries had been brought to the attention of the President, and had now been placed in such course as to require no further attention from the Commission or Council at this time.

With reference to the recommendation as to exemptions, the Director stated that by direction of the Council an appropriate statement concerning exemptions had been made public, and also sent to the various Government departments.

The Director stated that the recommendation of the Committee on Labor outlining specifically the conditions upon which Governors of the States should be empowered to suspend labor laws in war emergency had been approved by the Council substantially as recommended by the Commission and that appropriate letters had been sent to the Governors and Secretaries of State.

197 The Director stated that, by the direction of the President, the administration of all matters relating to labor questions, such as labor exchanges, industrial training, dilution of labor, and housing and safeguarding of workmen, had been placed under the jurisdiction of the Secretary of Labor.

It was agreed that Commissioner Gompers should at the next joint meeting request a definite statement of the future status of the Committee on Labor and its subcommittees.

Commissioner Godfrey outlined to the meeting his efforts to run down and remedy the causes of delay in coaling ships at embarkation ports and to obtain the installation of proper loading and unloading machinery at terminals, stating that he had been giving these matters his personal attention for some weeks and looked for helpful results soon despite the many difficulties encountered.

Reference was made to criticisms in Congress of the Council and Advisory Commission, and there ensued a general discussion of the advisability of recommending to the Council the complete transfer to executive departments of the Government, in continuance of such action already taken as to much of the work of the Commission, all of its activities that are distinctly apart from its advisory functions. The Director was requested to prepare for consideration at an adjourned meeting of the Commission on January 7, 1918, at 2:00 o'clock p. m., a resolution embodying the substance of the views brought out by the discussion.

Thereupon, at 1:30 o'clock p. m., the meeting adjourned.

198 **The Meeting Reconvened January 7, 1918, at 2 o'Clock P. M., at the Office of the Commission**

There were present all members of the Commission, the Director, and the Assistant Secretary. The Director read the following resolution:

Whereas the Council of National Defense and Advisory Commission were created as an organization to prepare the country over a period of years in time of peace for the possible contingency of war, their duties under the enabling act being broadly to establish the "coordination of industries and resources for the national security and welfare", and to bring about "the creation of relations which will render possible in time of need the immediate concentration and utilization of the resources of the nation"; and

Whereas such preparation and organization were only in the initial stages when the country was confronted by the emergency of war; and

Whereas the consequent heavy burdens thrust at once upon the several executive departments of the Government taxed their organizations beyond their immediate capacity of effective expansion; and

Whereas the Advisory Commission, at the request and by the authority of the Council of National Defense, the Secretary of War, the Secretary of the Navy, and other executive departments, have endeavored from time to time to lend all possible assistance in meeting the existing emergency; and

Whereas the several departments of the Government charged by law with executive functions have now had opportunity so to readjust and expand their organization as to meet effectively the demands of the war; and

Whereas as conditions have warranted, certain activities and organizations have already been transferred from the Council of National Defense and Advisory Commission to the particular executive department properly charged with such duties; therefore be it

Resolved, That the Advisory Commission recommend to the Council of National Defense that this transposition of functions be made as complete and specific as possible, and that the Council of National Defense and Advisory Commission now withdraw from and transfer to the executive departments of the Government so far as practicable all activities properly belonging to said departments, placing at their disposal the organizations heretofore en-
199 gaged in such activities; and be it further

Resolved, That in pursuance of this policy, the Advisory Commission recommend to the Council of National Defense that the War Industries Board and its organization be removed from its position as a body subordinate to, and a part of the organization of, the Council of National Defense, and that it be established as an agency reporting directly to the President of the United States.

Mr. Willard stated that he thought he should record his personal objection to the last paragraph of such resolution, with reference to the War Industries Board, because of the fact that he had heretofore, as Chairman of the War Industries Board made a similar recommendation, which the Administration had not thought advisable to adopt, and he therefore felt embarrassment at any concurrence on his part that might be construed as an effort to throw the influence of the Advisory Commission in favor of the recommendation.

After a very full discussion, it was agreed that no formal resolution should be presented to the Council, but that the Chairman should state to the Council at the next joint meeting the substance of the discussion, which may be summarized as follows:

Neither the Council of National Defense, nor the Advisory Commission itself, was in the first instance conceived or established as a war-making agency, but was created essentially to work out a peace program, and the Advisory Commission was intended merely as advisory to the Council. But such preparation was only in the

initial stage when the country was confronted by the emergency of the War, and the consequent heavy burdens thrust at once upon the several executive departments of the Government taxed their organizations beyond their immediate capacity of effective expansion. The Advisory Commission, was, of course, anxious to be as helpful as possible, and at request of and by authority of the Secretary of War, Secretary of the Navy, and other governmental departments, including the Council of National Defense, the Commission and its individual members undertook activities which, while perhaps not contemplated among their duties as a peace-time agency, were yet justified by the emergency of the situation. As conditions have warranted, from time to time certain of these activities have been
200 transferred to the government department specifically charged by law with their execution, and the Commission feels that if the Government departments are now in position so to readjust and expand their organizations as to meet effectively the demands of the war, this transposition of functions should be made as complete and comprehensive as practicable.

Thereupon at 4:00 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

201 **Minutes of Meeting of the Advisory Commission of the Council of National Defense, February 4 and 5, 1918**

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on February 4, 1918, at 10:00 o'clock a. m., at the office of Commissioner Martin. There were present Commissioners Martin (presiding), Baruch, Coffin, Godfrey, Gompers, Rosenwald, and the Director and the Assistant Secretary.

The minutes of the preceding meeting were read. Upon motion of Commissioner Coffin, seconded by Commissioner Baruch, it was voted that the last paragraph of the said minutes be corrected to read as follows: "* * * the Commission feels that *if the Government departments are now in position* so to readjust and expand their organizations, etc." It was voted that the minutes so corrected stand approved.

The Director read a letter of date January 31, 1918, from Chairman Willard advising of his inability to attend the meeting.

Upon inquiry from Commissioner Martin, the Director stated that Chairman Willard had asked him to advise the Council of his intention to tender his resignation as a member of the Commission at the regular meeting in March, at which time his term as Chairman would expire, and that the Council had requested that the matter be kept in confidence for the present. It was voted that the Director convey to Mr. Willard the feeling unanimously expressed by his associates on the Commission that he should retain his membership thereon; and Commissioners Baruch and Rosenwald were appointed a committee to wait upon Mr. Willard and urge reconsideration of his decision.

202 Commissioner Coffin referred to the serious handicap under which the administrative department of the Signal Corps were laboring because of the entire inadequacy of the office space provided

for their personnel. He was requested to present at the afternoon meeting a definite resolution to cover.

Commissioner Martin read his letter of February 1, 1918, to the Secretary of War, as follows:

May I set your mind clear on a statement made by you in your recent appearance before the Senate Committee on Military Affairs in regard to a recommendation by a committee with reference to the increase of air space in the cantonments? You said, on page 23, second column, in the Official Bulletin of Tuesday, January 29:

"The buildings were in the process of construction when there came a meeting, I think, of the American Medical Association, and at that meeting a committee was appointed to consider the question of the sanitary condition and character of barrack buildings for soldiers."

That committee was not a committee from any society, but resulted from a discussion in the Executive Committee of the General Medical Board of the Council, at which I presided, with the following people present: Surgeon General William C. Gorgas, U. S. A.; Surgeon General William C. Braisted, U. S. N.; Surgeon General Rupert Blue, U. S. P. H. S.; Colonel Jefferson R. Kean, Director General of Military Relief, American Red Cross; Dr. F. F. Simpson; Dr. William F. Snow; Dr. Victor C. Vaughan; Dr. William H. Welch; Colonel T. H. Goodwin, R. A. M. C., London; Colonel William O. Owen, M. C., U. S. A.; Assistant Surgeon General William C. Rucker, U. S. P. H. S.; Major Robert S. Noble, M. C., U. S. A.

At this meeting Dr. Frank F. Simpson reported, and I quote from our minutes:

203 "That in the revised plans for cantonments brought before the munitions Board of the Council of National Defense, expenses had been reduced to come within the appropriation allowed by eliminating practically all sanitary facilities, with the result that the buildings, if erected as planned, would be absolutely unfit to house the troops, from a sanitary standpoint."

Surgeon General Gorgas stated that:

"While the recommendations of the Surgeon General's Office were made when the plans for buildings were being formulated, if for any reason, economic or otherwise, it was decided to ignore these recommendations or change the plans, there was no regulation whereby the Quartermaster's Department was obliged to refer the plans back to the Surgeon General's Office for approval."

After an animated discussion of the whole matter, it was moved and seconded that I appoint a Committee on Cantonments to investigate the matter further and to take the necessary steps to bring it to the attention of the Council of National Defense and the Secretary of War at the earliest possible moment. I appointed the following committee, on which I acted as an ex-officio member: Surgeon General William C. Gorgas, U. S. A.; Surgeon General William C. Braisted, U. S. N.; Surgeon General Rupert Blue, U. S. P. H. S.; Colonel Jefferson R. Kean, U. S. A.; Dr. W. H. Welch; Dr. Victor C. Vaughan; Dr. W. A. Evans; Prof. Lawrence Veiller.

This committee the next day was received by you. We made our criticisms of the plans and asked that a regulation should be written which would give the Surgeon General the necessary power.

You then appointed the following committee to bring to you a plan and a definite regulation covering our recommendations: Surgeon General William C. Gorgas, U. S. A.; Dr. William H. Welch; Dr. Victor C. Vaughan; Dr. Franklin Martin.

The Plan is submitted in Exhibit "A."

204 After this plan was submitted and after consultation with the Chief of Staff, the following addition to the regulations was made, and reads:

"In addition to existing regulations,

"*Be it resolved*, That selection of camp sites, and all plans and specifications for the construction, repair and location of buildings, water supply, drainage, sewage disposal and other matters relating to sanitation and hygiene, be submitted to the Surgeon General or his representative for approval before work is begun."

I take the liberty of making this long explanation as the facts involved seem to me of considerable importance in their bearing upon this whole matter.

Commissioner Martin read a statement setting forth his suggestions and recommendations in connection with the work of the Advisory Commission and its relations with the Council. There ensued a general discussion of the activities of the Advisory Commission and its status and functions under changed conditions resulting from the reorganization of the War Department and the transfer of duties from the Commission to the several executive departments.

At 1:00 o'clock p. m. adjournment was taken to 3:30 o'clock p. m.

The Meeting Reconvened at 3:30 o'Clock P. M.

There were present Commissioners Martin (presiding), Baruch, Coffin, Godfrey, Gompers, Rosenwald, and the Director and the Assistant Secretary.

Commissioner Coffin presented a resolution recommending, as vitally essential to the war program, the immediate provision for at lease 350,000 square feet of office space for the administrative personnel of the Signal Corps. The sense of the meeting was in

205 support of the recommendations, but it was thought best that Mr. Coffin, as chairman of the Aircraft Board, should present the matter to the Secretary of War.

The discussion of the status and functions of the Commission was resumed. It was agreed that Commissioner Martin should, at the joint meeting with the Council, bring up the general question of the status and functions of the Commission, and that he (Dr. Martin) and the other members of the Commission, more particularly Mr. Gompers, Mr. Rosenwald, and Dr. Godfrey should discuss their own individual problems and suggestions in connection therewith.

Thereupon at 4:15 o'clock p. m., the meeting adjourned, to reconvene after the joint meeting with the Council.

The Meeting Reconvened at 2 o'Clock on Tuesday, February 5, 1918

There were present: Commissioners Martin (presiding), Baruch, Godfrey, Gompers, Coffin, and Rosenwald; the Director and the Assistant Secretary.

The general discussion of the status of the Commission was continued; and discussion was also had of the recommendations which should be presented to the Council at the special joint meeting to be held on Thursday, February 7, 1918.

At this point (3:30 o'clock p. m.) Mr. Baruch was called from the meeting.

The discussion was resumed, culminating in a suggestion which met with much approval, namely, that the Commission recommend to the Council that the individual members of the Commission be dissociated so far as possible from every other activity, and that that body be constituted a planning board to sit daily, in an advisory capacity, with the sole function of devising plans and general policies in the furtherance of the war program. It was agreed that at

206 the joint meeting with the Council the members of the Commission should address themselves individually to the subject, and that the foregoing suggestion be brought up for general discussion.

Thereupon at 4:30 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

207 Minutes of Meeting of the Advisory Commission of the Council of National Defense, March 4, 1918

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense, on March 4, 1918, at 10:00 o'clock a. m., at the office of the Director. There were present all members of the Commission except Commissioner Coffin, the Director, and the Assistant Secretary.

The Chairman stated that nominations were in order for a Chairman for the ensuing year. Thereupon Chairman Willard was unanimously nominated to succeed himself.

Mr. Willard then explained his position at some length, stating that his responsibilities as President of the Baltimore & Ohio Railroad Company would require practically his entire attention, and that he felt obliged to decline to serve longer as Chairman, as he could not devote to it the time and attention the office deserved. After some discussion, in which every member of the Commission urged upon Mr. Willard his acceptance, a vote was taken and Mr. Willard was unanimously elected, Mr. Gifford holding Mr. Coffin's proxy which he voted in favor of Mr. Willard.

Mr. Willard then stated that he yielded to the wishes of his fellow Commissioners that he continue, at least for the present, to act as Chairman, but only with the greatest reluctance and with the clear understanding that his duties with the Baltimore & Ohio Railroad should at all times come first.

Commissioner Martin explained a plan he desired to carry out, stating he wished authorization to take a group of eminent medical men to Europe to obtain the first-hand information necessary for the proper organization of the work of the Surgeons General
208 of the Army, Navy, and Public Health Service and the Red Cross. Upon motion of Commissioner Gompers, it was voted that the Commission approve the idea, and refer the project back to Dr. Martin to work out the details and to proceed as he might think best to carry his plan into effect.

Thereupon, at 1:00 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

209 Minutes of Meeting of the Advisory Commission of the Council of National Defense, April 1, 1918

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense, on Monday, April 1, 1918, at 10:00 o'clock a. m., at the office of the Director. There were present Chairman Willard, Commissioners Gompers, Godfrey, and Martin, the Director, and the Assistant Secretary.

The minutes of the preceding meeting were approved as read.

The Director read, for the information of the Commission, a letter from the President to Secretary Clarkson concerning the status of the Council of National Defense and the Advisory Commission.

A general discussion was had of the aircraft situation, and it was voted that Chairman Willard, at the next joint meeting with the Council, should express the concern felt by the Commission at the apparent delay in the program.

It was agreed that Chairman Willard should bring to the attention of the Council at the next joint meeting the serious and apparently unnecessary delay in the handling of vessels in our ports and recommend action to fix definitely the responsibility for such delay and reduce it to a minimum, suggesting certain steps brought out in the discussion that might be taken to that end.

Commissioner Gompers presented the following report and recommendations of the War Labor Conference Board, representing employers and employees, appointed to aid in the formation of a National labor program for the period of the war:

The following report and recommendations are presented by the War Labor Conference Board, representing employers and employees, appointed in accordance with the suggestion of Secretary of Labor William B. Wilson, to aid in the formation of a National labor program for the period of the war:

WASHINGTON, D. C., *March 29, 1918.*

Honorable WILLIAM B. WILSON,
Secretary of Labor.

SIR: The Commission of representatives of employers and workers, selected in accord with the suggestion of your letter of January 28, 1918, to aid in the formulation, in the present emergency, of a national labor program, present to you, as a result of their conferences, the following:

(a) That there be created, for the period of the war, a National War Labor Board of the same number and to be selected in the same manner and by the same agencies as the commission making this recommendation:

(b) That the functions and powers of the National Board shall be as follows:

1. To bring about a settlement, by mediation and conciliation of every controversy arising between employers and workers in the field of production necessary for the effective conduct of the war.

2. To do the same thing in similar controversies in other fields of national activity, delays and obstructions in which may, in the opinion of the National Board, affect detrimentally such production.

3. To provide such machinery by direct appointment, or otherwise, for selection of committees or Boards to sit in various parts of the country where controversies arise, to secure settlement by local mediation and conciliation.

4. To summon the parties to the controversy for hearing and action by the National Board in case of failure to secure settlement by local mediation and conciliation.

(c) If the sincere and determined effort of the National Board shall fail to bring about a voluntary settlement, and the members of the Board shall be unable unanimously to agree upon a decision, then and in that case and only as a last resort, an umpire appointed in the manner provided in the next paragraph shall hear and finally decide the controversy under simple rules of procedure prescribed by the National Board.

(d) The members of the National Board shall choose the umpire by unanimous vote. Failing such choice, the name of the umpire shall be drawn by lot from a list of ten suitable and disinterested persons to be nominated for the purpose by the President of the United States.

(e) The National Board shall hold its regular meetings in the city of Washington, with power to meet at any other place convenient for the Board and the occasion.

(f) The National Board may alter its methods and practice in settlement of controversies hereunder, from time to time as experience may suggest.

(g) The National Board shall refuse to take cognizance of a controversy between employer and workers in any field of industrial or other activity where there is by agreement or Federal law a means of settlement which has not been invoked.

(h) The place of each member of the National Board unavoidably detained from attending one or more of its sessions may be filled by a substitute to be named by such member as his regular substitute. The substitute shall have the same representative character as his principal.

(i) The National Board shall have power to appoint a Secretary, and to create such other clerical organization under it as may be in its judgment necessary for the discharge of its duties.

(j) The National Board may apply to the Secretary of Labor for authority to use the machinery of the Department in its work of conciliation and mediation.

(k) The action of the National Board may be invoked in respect to controversies within its jurisdiction, by the Secretary of Labor or by either side in a controversy or its duly authorized representative. The Board, after summary consideration, may refuse further hearing if the case is not of such character or importance to justify it.

(l) In the appointment of committees of its own members to act for the Board in general or local matters, and in the creation of local committees, the employers and the workers shall be equally represented.

(m) The representatives of the public in the Board shall preside alternately at successive sessions of the Board or as agreed upon.

(n) The Board in its mediating and conciliatory action, and the umpire in his consideration of a controversy, shall be governed by the following principles:

Principles and Policies to Govern Relations Between Workers and Employees in War Industries for the Duration of the War

THERE SHOULD BE NO STRIKES OR LOCKOUTS DURING THE WAR

Right to organize.—1. The right of workers to organize in trade unions and to bargain collectively, through chosen representatives, is recognized and affirmed. This right shall not be denied, abridged, or interfered with by the employers in any manner whatsoever.

2. The right of employers to organize in associations of groups and to bargain collectively, through chosen representatives, is recognized and affirmed. This right shall not be denied, abridged, or interfered with by the workers in any manner whatsoever.

3. Employers should not discharge workers for membership in trade unions, nor for legitimate trade-union activities.

4. The workers, in the exercise of their right to organize, shall not use coersive measures of any kind to induce persons to join their organizations, nor to induce employers to bargain or deal therewith.

Existing conditions.—1. In establishments where the union shop exists the same shall continue and the union standards as to wages, hours of labor, and other conditions of employment shall be maintained.

2. In establishments where union and non-union men and women now work together, and the employer meets only with employees or representatives engaged in said establishments, the continuance of such condition shall not be deemed a grievance. This declaration, however, is not intended in any manner to deny the right, or discourage the practice of the formation of labor unions, or the joining of the same by the workers in said establishments, as guaranteed in the last paragraph, nor to prevent the War Labor Board from urging, or any umpire from granting, under the machinery herein provided, improvement of their situation in the matter of wages, hours of labor, or other conditions, as shall be found desirable from time to time.

3. Established safe-guards and regulations for the protection of the health and safety of workers shall not be relaxed.

Women in industry.—If it shall become necessary to employ women on work ordinarily performed by men, they must be allowed equal pay for equal work and must not be allotted tasks disproportionate to their strength.

Hours of labor.—The basic eight hour day is recognized as applying in all cases in which existing law requires it. In all other cases the question of hours of labor shall be settled with due regard to governmental necessities and the welfare, health, and proper comfort of the workers.

Maximum production.—The maximum production of all war industries should be maintained and methods of work and operation on the part of employers or workers which operate to delay or limit production, or which have a tendency to artificially increase the cost thereof, should be discouraged.

Mobilization of labor.—For the purpose of mobilizing the labor supply with a view to its rapid and effective distribution, a permanent list of the number of skilled and other workers available in different parts of the nation shall be kept on file by the Department of Labor, the information to be constantly furnished:

1. By the trade unions;

2. By state employment bureaus and federal agencies of like character;

3. By the managers and operators of industrial establishments throughout the country.

These agencies should be given opportunity to aid in the distribution of labor, as necessity demands.

Custom of localities.—In fixing wages, hours, and conditions of labor, regard should always be had to the labor standards, wage scales, and other conditions prevailing in the localities affected.

The living wage.—1. The right of all workers, including common laborers, to a living wage is hereby declared.

2. In fixing wages, minimum rates of pay shall be established which will insure the subsistence of the worker and his family in health and reasonable comfort.

(Signed) Loyall A. Osborne, L. F. Loree, W. H. VanDervoort, C. E. Michael, B. L. Worden, Wm. H. Taft, Frank J. Hayes, Wm. L. Hutcheson, Thomas J. Savage, Victor A. Olander, T. A. Rickert, Frank P. Walsh.

STATEMENT OF EX-PRESIDENT WILLIAM H. TAFT, REPRESENTING THE PUBLIC

I am profoundly gratified that the conference appointed under the direction of Secretary Wilson has reached an agreement upon the plan for a National Labor Board to maintain maximum production by settling obstructive controversies between employers and workers. It certainly is not too much to say that it was due to the self-restraint, tact, and earnest patriotic desire of the representatives of the employers and the workers to reach a conclusion. I can say this with due modesty, because I was not one of such representatives. Mr. Walsh and I were selected as representatives of the public. Personally it was one of the pleasant experiences of my life. It brought me into contact with leaders of industry and leaders of Labor, and my experience gives me a very high respect for both. I am personally indebted to all of the Board, but especially to Mr. Walsh, with whom as the only other lawyer on the Board, it was necessary for me to confer frequently in the framing of the points which step by step the conference agreed to. Of course, the next question is "Will our plan work?" I hope and think it will if administered in the spirit in which it was formulated and agreed upon.

STATEMENT OF FRANK P. WALSH, REPRESENTING THE PUBLIC

The plan submitted represents the best thought of capital and labor as to what the policy of our Government with respect to industrial relations during the war ought to be. Representing capital were five of the largest employers in the nation, but one of whom had ever dealt with trade unions, advised and counselled by Ex-President Taft, one of the world's proven great administrators and of the very highest American type of manhood. The representatives of the unions upon the Board were the national officers of unions engaged in war production and numbering in their ranks considerably over one million men and women.

The principles declared might be called an industrial chart for the Government securing to the employer maximum production, and to the worker the strongest guaranty of his right to organization and the healthy growth of the principles of democracy as applied to industry, as well as the highest protection of his economic welfare while the war for human liberty everywhere is being waged. If the plan is adopted by the Government, I am satisfied that there will be a ready and hearty acquiescence therein by the employers and workers of the country so that the volume of production may flow with the maximum of fruitfulness and speed. This is absolutely essential to an early victory. The industrial army, both planners and workers, which are but other names for employers and employees, is second only in importance and necessity to our forces in the theater of war. Their loyal cooperation and enthusiastic effort will win the war.

210 Mr. Gompers moved that the foregoing report be brought to the attention of the Council at the joint meeting with the recommendation that the President be requested to make some pub-

lic announcement endorsing the principles outlined and urging their acceptance generally. It was so voted.

Commissioner Martin referred to a project for the establishment of an institution in France to provide a clearing house for medicine and allied subjects, to be financed from private sources, the site for which in Paris had been offered by the French Government. Dr. Martin stated he had been asked to take the Chairmanship of a group of medical men to organize the project, and desired the authority of the Council to proceed. Thereupon, Mr. Gompers moved, and it was so voted, that at the joint meeting the Council be asked to approve of Dr. Martin's obtaining for consideration of the Council at a later meeting full details of the proposed plan.

Thereupon, at 1:00 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

211 Minutes of Meeting of the Advisory Commission of the Council of National Defense, April 25, 1918, and May 2, 1918

There was held a special meeting of the Advisory Commission of the Council of National Defense on April 25, 1918, at 9:30 o'clock a. m., at the office of the Director. There were present Chairman Willard, Commissioners Baruch, Coffin, Gompers, Martin, and Rosenwald, the Director, and the Assistant Secretary; also Mr. A. W. Shaw, of the Commercial Economy Board.

The minutes of the preceding meeting of the Commission were approved as read.

The meeting was devoted to a general discussion of the best means of bringing about needed economy in transportation, fuel, and certain raw and manufactured materials essential to the conduct of the war. It was the prevailing thought that it would be unwise to attempt curtailment by listing "nonessential" industries, further than such restrictions on less essential industries as are now enforced by various branches of the Government; but that the desired result could be obtained by an appropriate proclamation by the Council of National Defense and the Advisory Commission urging the necessity for individual thrift and economy, which could be given the fullest publicity through the medium of the State Councils of Defense.

Thereupon it was moved by Commissioner Martin, and so voted, that the Director prepare such a pronouncement, expressing the sense of the discussion, for consideration by the Commission at its next meeting.

Adjournment was then had until Thursday, May 2, 1918, at 10:00 o'clock a. m.

212 The Meeting Reconvened at 10:00 o'Clock A. M., Thursday, May 2, 1918

There were present Chairman Willard, Commissioners Godfrey, Martin, and Rosenwald, the Director, and the Assistant Secretary.

The Director read a statement drafted as instructed at the adjourned meeting of April 25, 1918; also a similar statement prepared by Chairman Willard. After discussion, the statement was adopted for submission to the Council in the following form, subject to possible revision at the next meeting:

The Council of National Defense issued the following statement:

"The Council of National Defense, composed of the Secretaries of War, Navy, Interior, Agriculture, Commerce, and Labor, and the Advisory Commission to the Council believe that a concerted effort for economy on the part of the Nation as a whole will not only go far toward paying America's expenses in the war but will at the same time reduce unnecessary consumption of raw and manufactured materials essential to the conduct of the war.

"The Council urges all to refrain from wasteful and unnecessary expenditure of every kind, and to bear constantly in mind that only one thing is now of real importance, and that is the winning of the war.

"The Nation's resources in man power, money, transportation, raw materials, and fuel have already been subjected to heavy strain, and it is the clear duty of every citizen of the United States not to add to this strain by any unnecessary or selfish act.

"It is no discredit for anyone—man or woman, boy or girl—to wear old clothes, but, on the contrary, every evidence of thrift and self-denial in a time like this is most creditable, and this applies to the rich and the poor alike.

"This war is more than a conflict between armies; it is an economic and industrial contest between Nations, in which every man, woman, and child will find opportunity to render real assistance. To assist in such a conflict by thrift and economy is not simply a duty but a patriotic privilege."

Commissioner Martin suggested that the members of the Advisory Commission also be named as joining in the statement for such emphasis as it might add thereto. It was finally decided that it
213 would be best to include in the letter of transmittal to the State Councils the names of the members of the Commission.

The Director, at request of Commissioner Rosenwald, read a letter addressed to Mr. Rosenwald by a correspondent, deploring the condition of many of our important highways and suggesting the wisdom of employing resident aliens and convicts in their repair and maintenance as a war measure. Upon motion of Mr. Rosenwald, it was voted that the Director prepare for consideration at the next meeting a resolution recommending action for the improvement and maintenance of highways essential to the national defense.

The Director suggested the advisability of action by the Commission to bring about some concerted investigation and preparation of plans in anticipation of the readjustment following the demobilization of the army, particularly the study and development of such national projects as would provide employment for the large number of men during the process of their reabsorption into the national life. It was the sense of the meeting that the subject should be brought to the attention of the Council with the statement that in the opinion of the Commission it is a matter to which it would be proper to give consideration at this time. The Director was accordingly requested to prepare an appropriate resolution for consideration at the next meeting.

Thereupon, at 12:30 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER.
Assistant Secretary.

31252—36—No. 8——8

214 Minutes of Meeting of the Advisory Commission of the Council of National Defense, May 6, 1918

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on Monday, May 6, 1918, at 10:00 o'clock a. m., at the office of the Director. There were present Chairman Willard, Commissioners Godfrey, Gompers, Martin, and Rosenwald, the Director and the Assistant Secretary.

The minutes of the preceding meeting of the Commission were approved as read.

There ensued a discussion of the proposed statement set forth in the minutes of the preceding meeting, which statement was finally adopted for presentation to the Council in the following form:

The Council of National Defense and the Advisory Commission to the Council believe that a concerted effort for economy by the people of the Nation will not only go far toward paying America's expenses in the war, but will also reduce consumption of raw and manufactured materials essential to the conduct of the war.

The Council urges all to refrain from unnecessary expenditure of every kind, and to bear constantly in mind that only one thing is now of real importance, and that is the winning of the war.

The Nation's resources in man power, money, transportation, foodstuffs, raw materials, and fuel have already been subjected to heavy strain, and it is the clear duty of every citizen to guard against increasing this strain by a single wasteful act.

It is most creditable for everyone—man and woman, boy and girl—to be economical in dress, food, and manner of living. Every evidence of helpful self-denial in a time like this is most commendable in every station of life.

This war is more than a conflict between armies; it is an economic and industrial contest between Nations, in which every man, woman, and child can and should render real assistance. Thrift and economy is not simply a duty: it is a patriotic privilege.

Upon motion of Commissioner Martin, it was voted that the names of the individual members of the Council and Commission be not set forth in the text of the statement, but that the personnel
215 thereof should be named in giving out the statement to the State Councils and to the press.

At this point a brief recess was taken that the members of the Commission might bid good-bye to General Palmer E. Pierce, who had been assigned to active duty overseas.

The Commission resumed consideration of the question of highway maintenance and development introduced at the preceding meeting. Mr. Roy D. Chapin, Chairman of the Highways Transport Committee, was called into the discussion. It was voted that the following statement of policy be recommended to the Council:

The Council of National Defense fully recognizes the vital military and economic importance of the highways of the country and the necessity for their proper maintenance.

During the war the Council recommends that both for road building and maintenance local materials be used wherever possible in order to release railroad cars for other purposes.

The Council recommends that those highways which are essential to the national defense be maintained and where necessary so improved as to meet the essential requirements. Such roads may be described as follows:

Highways which are used or probably will be used for important military movement of men or war supplies.

Highways connecting population of shipping centers with surrounding agricultural areas, over which food products may be transported, thus making all centers as nearly self-supporting as possible.

Highways connecting important producing, consuming, or shipping centers in congested areas over which are hauled essential materials or supplies, this primarily assisting the movement of short-haul traffic.

The following resolution was adopted for presentation to the Council:

Whereas events in connection with the prosecution of the present war have brought sharply to the attention of the combatants the need for planning how intelligently to deal with the economic questions which will inevitably arise at the close of the conflict: Be it

Resolved, That the Advisory Commission of the Council of National Defense recommend, and does hereby recommend to the Council of National Defense, that the time has now come when both the Council and the Advisory Commission should make investigation with a view to formulating plans to meet the reconstruction problems of the United States after the war, particularly with regard to the readjustments necessary to the demobilization of the armies of the United States and to the study and development of such national projects as would provide employment for large numbers of men during the process of their reabsorption into the normal national life.

Thereupon, at 1:00 o'clock p. m., the meeting adjourned.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

216 Minutes of Meeting of the Advisory Commission of the Council of National Defense, June 3, 1918

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on Monday, June 3, 1918, at 10:00 o'clock a. m., at the office of the Director. There were present Chairman Willard, Commissioners Coffin, Gompers, Martin, and Rosenwald, the Director, and the Assistant Secretary.

The minutes of the preceding meeting were approved as read.

The Director read a report of the State Councils Section showing the progress made by the State Councils in circulating the statement of the Council and Advisory Commission with reference to thrift and economy. It was moved by Mr. Rosenwald, and so voted, that there be included in the report pertinent extracts from the President's recent address having reference to this particular subject, and that the report be circulated among the several State Councils for their information.

It was agreed that it would be inadvisable to attempt any extensive campaign for thrift and economy beyond the steps already taken in that direction.

The following resolution was adopted:

Resolved, That the Advisory Commission recommend, and it does hereby recommend, to the Council of National Defense, that the Council and Advisory Commission go on record as discouraging Christmas giving as inconsistent with war-time economy, and that this expression be published at once to insure proper advance notice for the protection of manufacturers and merchants.

The Director read his recommendations concerning reconstruction, as contained in his preliminary report of May 23, 1918, and a general

discussion of the subject followed. It was moved by Mr. Gompers, and so voted, that the said report of the Director be approved. It was stated that the effect of this would be to bring the subject again before the Council for discussion, with the recommendation of
217 the Commission that the Council, with the approval of the President, proceed with the investigation and study of reconstruction problems. It was agreed that the matter should be brought up at the next joint meeting, and that the Chairman should suggest to the Council that under the terms of the enabling act this clearly is a subject properly within the duties and functions of the Council.

It was voted that the Director be instructed to prepare in behalf of the Advisory Commission an appropriate resolution to be sent to Mr. Samuel Gompers, President of the American Federation of Labor, at the convention about to take place at St. Paul, expressing the confidence of the Commission in Mr. Gompers, and in the loyalty and patriotism of the American Labor Movement in its earnest and undivided support of the United States and her allies in the war.

Dr. Martin presented a plan for the promotion of industrial medicine and surgery as a war measure, through the coordination and centralization under one directing head of all of the activities of the several Government departments concerned with that work. Dr. Otto P. Geier, recommended by the General Medical Board and the special committee of the departments interested for appointment as director of such a central coordinating agency, was called into the meeting to explain the plan in detail.

Thereupon, at 1:30 o'clock p. m., a recess was taken.

The Meeting Reconvened at 3:00 o'Clock P. M.

There were present Chairman Willard, Commissioners Gompers, Martin, and Rosenwald, the Director and the Assistant Secretary.

There was resumed the discussion of the matter presented by Dr. Martin, and the conclusion was reached to defer action until the Commission had opportunity to give the plan thorough consideration. Thereupon, it was moved by Mr. Gompers, and so voted, that the plan be presented to the Council that it might be advised of
218 the nature thereof, with the statement that the Commission was considering the same and would bring definite recommendations at a subsequent meeting.

The meeting adjourned at 4:15 o'clock p. m.

Attest:

(Signed) MORTON WALKER,
Assistant Secretary.

219 Minutes of Meeting of the Advisory Commission of the Council of National Defense, July 1, 1918

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on Monday, July 1, 1918, at 10:00 o'clock a. m., at the office of the Director. There were present Commissioners Rosenwald (presiding), Coffin, Gompers, Martin, and the Director.

The minutes of the preceding meeting were approved as read.

The Director read for the information of the Commission the following letter dated June 19th from the President to the Secretary of War:

THE WHITE HOUSE,
Washington, June 19, 1918.

MY DEAR MR. SECRETARY: Thank you for your letter of the seventeenth about the relation of the Council of National Defense to the study of reconstruction problems.

I think it will be entirely appropriate and desirable that the Council should coordinate the studies that have been made and suggest procedures. After that preliminary work has been done, it will be possible for us in counsel with one another to form a clearer and more trustworthy judgment as to how the plans shall be executed and under what guidance and supervision.

Cordially and sincerely yours,

(Signed) WOODROW WILSON.

Hon. NEWTON D. BAKER,
Secretary of War.

After full discussion, upon motion of Mr. Gompers, the following resolution was adopted for presentation to the Council:

It is the judgment of the Advisory Commission that immediate steps should be taken to ascertain what has already been considered or done by various government departments and agencies regarding reconstruction so that a concrete plan for reconstruction may be promptly formulated and put into action.

Having before it the President's letter of June 19th to the Secretary
220 of War, Chairman of the Council of National Defense, the Advisory Commission recommends to the Council that a special commission on reconstruction problems be appointed by the President at the earliest possible moment to proceed with full authority to develop a concrete plan for action.

Dr. Martin referred to the plan for the promotion of industrial medicine and surgery as a war measure, which was discussed at the meeting of the Advisory Commission on June 3rd. He stated that it had been recommended to the President that an executive order be issued placing all civilian Federal health activities under the Surgeon General of the Public Health Service. He advised that if this order is issued by the President it will take care of the work proposed in the plan for the promotion of industrial medicine and surgery, so that it was not necessary for the Commission to take further action at this time.

Thereupon, at 12:30 o'clock p. m., the meeting adjourned.

Attest:

(Signed) W. S. GIFFORD, *Director.*

221 Minutes of Meeting of Advisory Commission of the Council of National Defense, August 5, 1918

There was held the regular monthly meeting of the Advisory Commission of the Council of National Defense on Monday, August 5, 1918, at 10:00 o'clock a. m., at the office of the Secretary of the Council. There were present Chairman Willard, Commissioners Gompers, Godfrey, and Martin; and the Secretary.

The minutes of the previous monthly meeting were read and approved.

The Secretary outlined the work to date in the preliminary study of material on American reconstruction and readjustment after the

war being collected by the several departments of the Government, and a general discussion ensued. It was the sense of the meeting that this work should, for the time being, go on as at present.

The Secretary stated that he had advised Colonel E. M. House fully of the progress to date of the Council's reconstruction work and that he had received the following letter from Colonel House:

G. B. CLARKSON, Esq.,
Council of National Defense, Washington, D. C.

DEAR MR. CLARKSON: Thank you for sending me the memoranda under cover of your letter of July 19th.

I do not see that the work you are doing or propose doing in any way conflicts with the Peace Inquiry. I think it would be well, however, for you to keep in touch with Dr. S. E. Mezessat, 3755 Broadway, New York, who is Chairman of our Advisory Committee, so there may be a beneficial interchange where the interests of the two organizations touch.

I was already conversant with the situation and heartily approve of the proposed work.

Sincerely yours,

(Signed) E. M. HOUSE.

MAGNOLIA, MASSACHUSETTS, *July 25, 1918.*

It was moved and seconded that Commissioner Gompers be authorized to appoint a successor to Mr. James W. Sullivan, as
222 Vice Chairman of the Committee on Labor of the Advisory Commission, to serve at the same rate of compensation as that received by Mr. Sullivan.

On being informed of the forthcoming trip to Europe of Commissioner Gompers, it was the sense of the meeting that Mr. Gompers be provided with a Secretary to accompany him, the expenses and salary of said secretary to be defrayed by the Council. The Secretary was directed to take the matter up with the Council and obtain, if possible, the necessary authorization.

Dr. Martin presented the following resolution, which was adopted for presentation to the Council:

Whereas the Council of National Defense at its meeting on February 1, 1918, authorized the organization of the Volunteer Medical Service Corps under the direction of the General Medical Board of the Council of National Defense; and

Whereas it has been found desirable to make a change in the scope of the said Volunteer Medical Service Corps and to amplify its Central Governing Board: Therefore be it

Resolved, That the revised Rules of Organization as indicated on Exhibit "A" be substituted for the original Rules of Organization as in Exhibit "B"; and be it further

Resolved, That the Central Governing Board as indicated on Exhibit "C" be enlarged as indicated on Exhibit "D."

Thereupon, at 1:00 o'clock p. m., the meeting adjourned.

Attest:

(Signed) G. B. CLARKSON, *Secretary.*

AMERICAN COLLEGE OF SURGEONS,
OFFICE OF THE DIRECTOR GENERAL,
Chicago, June 11, 1932.

The Hon. PATRICK J. HURLEY,
Secretary of War, War Department, Washington, D. C.

DEAR MR. SECRETARY: A communication just received from Mr. Howard Coffin indicates that the files of the Council of National Defense bears no record of my resignation from the Advisory Commission. I therefore hereby respectfully tender my resignation as a member of the Commission to you as Chairman of the Council.

The work of the Advisory Commission as a part of the Council of National Defense before, during, and after the Great War is so well known and appreciated that I, as one of the group, can only add that I realize that the nonpartisan Advisory Commission was of inestimable value, not only in its advisory capacity but in its organization and administrative suggestions. I agree with Mr. Coffin that such an organization at this time—or at any time—as evidently was contemplated by the framers of the law, would have strong influence in aiding in the planning and administration of the Government, particularly during this time of stress, which is another great emergency for our country.

Sincerely yours,

FRANKLIN H. MARTIN, M. D.

HOWARD E. COFFIN,
CHAIRMAN OF THE BOARD, SEA ISLAND COMPANY,
Sea Island Beach, Georgia, June 5th, 1932.

The Hon. PATRICK J. HURLEY,
Secretary of War, Chairman Council of National Defense,
War Department, Washington, D. C.

DEAR MR. SECRETARY: Captain Alvin C. Voris, Custodian of the records of the Council of National Defense, informs me that there appears in the files no indication of resignation from the Advisory Commission by either Dr. Franklyn Martin or myself. Will you, therefore, as Chairman of the Council, please accept my resignation as now in effect? I am sending a copy of this letter to Dr. Martin in Chicago that he may be advised both as to my action and as to the incompleteness of the record in regard to himself. I assume that he may desire to follow my suit, thereby completing the elimination of the members who have served in the past upon this body.

The Council, with its duties clearly expressed by law, and with its Advisory Commission and decentralized States' Council plan of organization extending into even the most remote communities of the country—all once of such effective service to the Nation in building confidence and morale, and in giving constructive direction to community thought and action in critical "time of need"—may very properly again prove of great value, if soon enough utilized, for meeting the threatening days so clearly ahead of us. These resignations, while seemingly unnecessary because of the years which have intervened, since the cessation of the Council's activities in 1921, will leave the Commission's slate entirely clear.

Sincerely,

HOWARD COFFIN.

JUNE 22, 1932.

Mr. HOWARD COFFIN,
Sea Island Beach, Georgia.

DEAR MR. COFFIN: Your resignation as a member of the Advisory Commission of the Council of National Defense has been received and made of record.

As you know, there has been no meeting of the Council during the past decade, and I cannot presume to express the appreciation of that body, as an organization of government, for your outstanding services to it and to the Nation during the World War.

I am familiar, however, with the record of your accomplishments during that critical period and am aware of the earnest support you have given in more recent years to the cause of industrial preparedness. Consequently, in acknowledging your voluntary termination of official connection with the Commission, I am impelled to voice my personal recognition and appreciation of the valuable contributions you have made in the interests of our Country. It is my earnest conviction that your unselfish devotion and your personal and material sacrifices to the national welfare have richly earned for you a permanent and prominent place in the esteem and gratitude of our people.

With personal regards, I am,

Sincerly yours,

_____ _____,
Acting Secretary of War.

Dr. FRANKLIN H. MARTIN, JUNE 22, 1932.
American College of Surgeons, 40 East Erie St., Chicago, Illinois.

DEAR DOCTOR MARTIN: Your resignation as a member of the Advisory Commission of the Council of National Defense has been received and made of record.

As you know, there has been no meeting of the Council during the past decade, and I cannot presume to voice the appreciation of that body, as an organization of government, for your splendid services to it and to the common cause during the World War. However, in making this simple acknowledgment of your voluntary termination of official connection with the Council, permit me to express my personal conviction that the valuable contributions you made to our Country's welfare during that critical period entitle you to a prominent place in the Nation's respect and gratitude.

Sincerely yours,

_____,
Acting Secretary of War.

PART II

Minutes of the Munitions Standards Board

115

LETTER OF CERTIFICATION

UNITED STATES OF AMERICA,
WAR DEPARTMENT,
Washington, May 8, 1935.

I HEREBY CERTIFY that the attached papers are true copies of records of the War Department as contained in the files of the War Industries Board, on file in the office of The Assistant Secretary of War, Washington, D. C.

HARRY B. JORDAN,
Colonel, Ordnance Department,
Custodian of Records, War Industries Board.

I HEREBY CERTIFY that Colonel Harry B. Jordan, who signed the foregoing certificate, is the Custodian of Records of the War Industries Board, and that to his certification as such full faith and credit are and ought to be given.

IN TESTIMONY WHEREOF I, George H. Dern, Secretary of War, have hereunto caused the seal of the War Department to be affixed and my name to be subscribed by the Assistant Chief Clerk of the said Department, at the City of Washington, this Eighth day of May 1935.

GEO. H. DERN,
Secretary of War.
By F. M. HOADLEY,
Assistant Chief Clerk.

EXPLANATORY NOTE

Part II of this volume was printed from certified copies of the original Munitions Standards Board minutes which were supplied to the Committee by the War Department. All typographical and grammatical errors, breaks in continuity of the text, and mistakes and ommissions are printed exactly as they occurred in the copies. The Committee finds that it is beyond its province to incorporate the necessary corrections.

MINUTES OF THE MUNITIONS STANDARDS BOARD

COUNCIL OF NATIONAL DEFENSE,
Washington, April 26, 1917.

Mr. WM. H. VANDERVORT,
Council of National Defense, Washington, D. C.

DEAR SIR: Next attached please find the schedule of material for 1,000,000 Russian Standard 3 G. T. Detonating Fuses which was made up in accordance with the seventh paragraph of page three of the minutes of the meeting held on detonating fuses on April 18th, 1917, at room 928 in the Munsey Building.

At this meeting the manufacturers were asked to meet and prepare a schedule of materials showing the amount and cost per detonator which goes to make up the fifty-five cents which was adopted as the basis of cost.

Yours very truly,

MUNITIONS STANDARDS BOARD,
E. A. DEEDS.

EAD—AB.

SCHEDULE

Material required for 1,000,000 Russian standard 3 g. t. detonating fuses

[To be attached to minutes of meeting of April 18th, 1917, held in the Munsey Building, Washington, D. C.]

No. and Name of Part	Type of Material	Amount Required	Unit Price
		Lbs.	*Per lb.*
V-1 Body	1 5/8" Rd. Steel	5,000,000	$0.055
V-2 Head	1 5/8" Rd. Steel	250,000	.055
V-3 Lead Washer	.025 Sheet Lead	30,000	.1225
		Pcs.	*Per C*
V-4 Spring	Springs	1,000,000	.55
		Lbs.	*Per lb.*
V-5 P. R. Sleeve	1 1/16" C. R. Steel	200,000	.0489
V-6 Brass Tube	.0673-.633 Br. Tubing	40,000	.75
V-7 Brass Cap	.0403 x 1 1/4" Soft Br	12,000	.3725
V-8 Copper Pin	.057 Bare copper wire	500	.40
V-9 Percussion Rod	1/2" Round Steel	380,000	.08
V-10 Collar	1 1/16" Round Steel	95,000	.08
V-11 Alloy Washer	.150 Tin & lead Alloy	22,000	.575
V-12 Needle	.083 x 5/8" Ann'l'd Steel	50,000	.30
V-13 Steel Ring	3/8" C. R. Sc. Steel	8,000	.0553
V-14 Brass Tube	.360 x 400 Brass Tube	21,000	.83
V-15 Ger. Sil. Shell	.015-16% Ger. Silver	42,000	.5075
V-16 Asbestos Washer	.025 Sheet Asbestos	1,250	.15
V-17 Primer Plug	1" Round Steel	400,000	.055
V-18 Base Plug	1" C. R. Sc. Steel	200,000	.0468

General Munitions Board Resolution Passed March 3, 1917

Resolved, That the Secretary of War, as Chairman of the Council of National Defense, and under authority of the Act of August 29, 1916, "For the coordination of industries and resources for the national security and welfare", and under the specific authority in the Act which provides for the appointment of "Subordinate bodies", shall appoint a Purchasing Board, Council of National Defense, to be composed of Army and Navy Department heads or officers appointed by them and representatives appointed by the Advisory Commission, the purpose being to coordinate the buying of the several Departments; assist in the acquirement of raw materials and manufacturing facilities; the establishment of precedence of orders, etc., including the ordinary commercial and industrial needs and the military requirements of the nation. Such committee shall have no authority at this time to issue purchase orders, make contracts, or bind the Government in its purchases; all these things to be done, as at present, by the respective departments. The Chairman of the Committee, however, shall have authority to require, when necessary, that certain (conflicting) purchases be not made until the same, with a full statement of the facts, have been submitted to the Secretary of War or Navy.

For the purpose of securing joint representation of the War and Navy Departments and the Advisory Commission of the Council of National Defense, in coordinating the munitions work of these three bodies, the committee shall be presided over by a Chairman, who shall be an appointee of the Chairman of the Council of National Defense.

The Army Departments shall be represented by appointees (officers) of Department Chiefs as follows: Ordnance, Quartermaster's Department, Engineer Corps, Signal Corps, Medical Corps, General Staff (War College).

The Navy Department shall be represented by appointees of Department Chiefs as follows: Ordnance, Bureau of Construction and Repairs, Medicine and Supplies, Marine Corps, Supplies and Accounts, Steam Engineering, Yards and Docks.

The Advisory Commission of the Council of National Defense shall be represented in the membership of the committee by appointees of Messrs. Baruch, Coffin, Rosenwald, and Martin.

Meetings shall be held daily and each department, so far as may be required, shall submit its purchasing orders for comparison and for clearing.

The Committee shall use in its work all the information as to the sources of material supply, manufacturing facilities, potential ability of manufacturing plants, experience of manufacturers in munitions production, etc., now on file in the War and Navy Departments and with the Council of National Defense.

The Advisory Commission recommends that the plan be adopted with the understanding that it is a measure which may prove inadequate for the larger needs which may develop if war is declared. It feels, however, that for the sake of coordinating the Army and Navy that the Chairman of the proposed Purchasing Board should be a civilian.

The Commission further recommends strongly the immediate increase in the personnel of such departments of the Army and Navy concerned with purchasing as are now undermanned.

[Copy]

April 2, 1917.

Mr. Frank A. Scott,
Chairman Munitions Standards Board,
Council of National Defense, Washington, D. C.

My Dear Mr. Scott: In response to your invitation of March 30, when, on behalf of the Council of National Defense, you requested the Federal Trade Commission to submit a memorandum in relation to methods of compensation for war supplies to be furnished the Government, we transmit herewith such a memorandum prepared by the Advisory Economic Board, of the Federal Trade Commission.

This memorandum, for the purpose of brevity, is limited to a discussion of method.

The Advisory Economic Board, as well as the Federal Trade Commission, is not unmindful of the consideration of means as well as method and also for the need for prudence and discretion in setting these in operation.

Without doubt in what will follow we will duplicate suggestions already made to the Council. Indeed, the major part is doubtless already in operation or in process of organization.

In addition to the facilities mentioned in the memorandum as presented by the Federal Trade Commission the Commission would be able to bring together and supervise Bureaus of Inspection, Traffic Management, Commercial Law, Sanitary Supervision, Scientific Aides, such as metallurgists, etc., and Executive Inspectors who would consider plants as a whole and their processes and results as a whole, rather than quality of product. Nearly if not all the activities which you may desire to set in motion, or which are suggested herein, may be already employed by the Council of National Defense, but if any remain uncared for the Federal Trade Commission will undertake to organize from the most expert men in our national life bodies who could coordinate with your Bureaus. Every resource possessed by the Commission is at the disposal of the War and Navy Department and of the Council for National Defense.

Among the divisions which suggest themselves are the following:

An executive corresponding to general manager of a large industrial organization. He would organize bureaus or departments for cost accounting, inspection of product and materials, inspection in a larger way of industrial plants and processes, bureau of adjustment as to compensation, traffic bureau, purchasing bureau, auditing bureau.

Labor bureau, which would (*a*) Advise as to the fixing of hours and conditions of work so as to secure the greatest efficiency without incurring industrial or mass fatigue such as resulted disastrously in England early in the war; (*b*) A survey of labor supply with the necessary shifting of labor to meet changing needs for disposition of contracts with respect to labor supply; and (*c*) Such sanitary and hygienic supervision as would, in connection with (*a*), look to the maximum efficiency and conservation of human energy.

A most important consideration is the recognition of the need for avoiding to the greatest possible extent any disadjustment of normal industrial processes. To commandeer a plant which is a link in a chain of industrial processes might close down a hundred other plants which, while contributing nothing to the national defense would be left powerless to continue in their normal industrial activities. So too the laying of an undue burden upon one plant might disarrange scores of other factories. The one actually employed by the Government would receive full and just compensation, while the others, equally disturbed in their normal activities, would receive no compensation.

These ill results may be avoided by a division of contracts and by so spreading the public load as to cause the least possible disarrangement of the industrial fabric.

The Commission acknowledges the volunteer assistance and practical advise rendered by Mr. A. R. Demory, Vice President and General Manager, of the Detroit-Timken Company, who responded to a telephone summons and who has been asked to go over these problems, though only a few hours have been available to him for their consideration.

Very truly yours,

(Signed) William B. Colver,
Committee for the Commission.

1 Minutes of Meeting of Munitions Standards Board, Wednesday, March 21, 1917

Secretary Baker. Gentlemen, I am here for two purposes: in the first place, to show, as is very easy, the full extent of my own ignorance of the task you gentlemen are expert in; and in the second, to thank you for coming and to emphasize—if, indeed, it needs any emphasis in your minds—the importance of the task you have been willing to assume for the Government. I think it import-

ant at the outset to say that what you are now asked to do has no immediate and direct relation to the present acute international controversy, but is the initiation of a program which looks to a continuing capacity for the mobilization of the industry of the country in the event of this or any other national emergency; so that your summons to Washington and the invitation extended to you has not been the fruit of our present crisis, but is rather in pursuance of the requirements of the law creating the Council of National Defense that we should give such information to manufacturers and producers of supplies as would enable them to fit themselves rapidly for proper production in the event of emergency. I do not understand in my own reading of that law, and the discussion we have had in the Council of National Defense about the creation of such boards of experts as you constitute, that it is intended that you should set up a governmental bureau and supervise the activities of clerks and expert draftsmen, etc., but rather that you should advise with the Council and perhaps leave the execution of your advice in the hands either of the Council and its subordinates, or the regular bureaus and channels of the War and Navy Departments, which are supposed to be organized for that particular purpose.

As I understand it, experience has shown—what common sense would have taught had we paused to reflect—that quantitative production requires system in arrangement and supervision of labor, in the question of types, selection of plants, so as to avoid complication and confusion of multiple operations, and also long-time preparation in advance to meet emergency. I have been learning a very great deal that has been disquieting (but it is necessary for all of us to know it), about the difficulty of quantative production. I think Mr. Scott gave me a picture of a stock room in a great plant engaged in producing a single munition of war, and that room, which looked to the untrained eye like a complete factory in itself, was merely the stock table of the gauges, dies, and special tools required in that one plant to successfully carry out on a large scale a single item of production. This is a very impressive thing for a layman to learn. All of us laymen have an idea about manufacture, peculiarly American—that all you have to do is to get a sort of Aladdin's lamp and rub it; but the modern Aladdin must do a great deal of rubbing before the lamp will respond, and it is in these preliminary things that your advice is most urgently desired.

I suppose the processes of the democratic form of government are inherently different from those of any other government in the world. I am every day receiving a great many letters, some of them from representatives of great groups of men, and some from individuals, saying to me that the country is facing a crisis and asking, "What can I do, and what can I do *now?*" Apparently the impulse is stirring in everybody's mind to know what he can do. I cannot answer that. If we live in a country such as Germany is supposed to be, every man over there has a ticket sewed in the lining of his coat. When certain signals are sounded, he rips out his ticket, which tells him exactly what to do, all appointed before hand. But in order to keep ourselves from being too much regimented, we must be prepared to promptly fulfill the task when the

crisis comes. It is a great relief to me to see here you gentlemen to whom I can give a specific answer to that question. Your task is clear; and the Government is exceedingly fortunate to get men who, though busy about your own important affairs, patriotically lay aside for the time being your private concerns and give the Government the benefit of your skill and experience. I cannot overestimate the importance of your task.

Col. Babbitt, who is Acting Chief of the Ordnance Department of the Army in the absence of his superior officer, General Crozier, is doubtless known to all of you. Your work will be primarily in connection with his bureau, and I have asked Col. Babbitt to come in and place himself at your disposal; and if I can give you any information in this connection it will only be necessary for you to let me know.

Thank you very much for coming.

Mr. COFFIN. Gentlemen, I will simply take the chair for the moment in Col. Babbitt's absence. Until he arrives I suggest that you simply organize by electing a Chairman, and then we will be in shape to proceed.

(Mr. Scott, having been chosen Chairman, now took the chair.)

Mr. SCOTT. Gentlemen, I appreciate the opportunity to serve which this election gives me. I accept it because of the fact that I am moved by the impulse to serve that the Secretary has mentioned—the great desire at this time to try to do something that will contribute under the conditions that we all feel we face in our country. I especially appreciate the honor, coming as it does from gentlemen older and more experienced than I am myself, and I am accepting it on the assumption that it is because I, perhaps, am so situated that I can give time to it, and not because my experience qualifies me above the others; for on that basis I could not accept it at all.

Mr. GIFFORD. Mr. Chairman, might I, before proceeding further, express the regret that Mr. Deeds wired me he is unable to be present at the meeting on account of his young son having been taken down with spinal meningitis.

Mr. SCOTT. Gentlemen, as we have no Secretary as yet, if Mr. Gifford will be willing to do this, let me suggest that he wire Mr. Deeds immediately that we regret very much his absence, but most of all the occasion for it.

Now, I am not going to assume that we do not want to spend time in a general discussion of the need for the kind of work that the Secretary has outlined for this committee to do. I think we all perfectly understand the need. The more experience we have had in relation to this work, the more perfectly do we understand the need. I would like to proceed immediately to a determination of what steps this committee will take to, first, formulate its own task, and then to perform that task.

Perhaps Mr. Vauclain and some of you other gentlemen know Admiral Earle, whose position in the Navy Department corresponds to that of Col. Babbitt in the War Department. Admiral Earle has consented to attend this meeting and should come in shortly.

Col. BABBITT. Mr. Chairman, might I suggest that if Admiral Earle is coming down in a few minutes, we have just a

little general talk in the time before he comes, as he in the Navy Department will be the one with whom this committee will have the most to do.

(Admiral Earle having entered, the discussion was resumed.)

Mr. SCOTT. Admiral Earle, we were summoned here by the Secretary of War and asked to form, under the direction of the Council of National Defense, a Board to be known as the "Munitions Standards Board", the general purpose of which is no doubt familiar to you. The Secretary has explained to us that the call at this time has no relation to the possible emergency that may present itself to us shortly, and that our work looks not merely to assistance at this time, but to a general and, if possible, a better relationship between military production and industrial production in the future to meet future emergencies, rather than the present one.

I think every gentleman on the Committee has been long enough familiar with the work which the War and Navy Departments have done in the past to know that the limitations that confront you gentlemen now, and the difficulties that will face our country now, are in a broad sense our fault—that is, the fault of we civilians; that your limitations are imposed upon you by the Congress that is of our creation. We know that your professional ability reaches the highest standard and that, so far as Congress has given you power and money, you have put that standard in force in works. We do know, however, because of our own individual experience as a result of this European War, that war has ceased to be a profession, to the successful conduct of which we particularly call military men. It seems to call now all kinds of men. It has become a most intricate and complete science, and seems to call for the best in every science; so that the civil-
6 ian now becomes essential to the successful conduct of war.

We, the small group gathered here, think we appreciate the way in which we would feel if men ignorant of our particular calling were suddenly drafted to advise with us upon the intricacies of that particular calling. We have that very keenly in mind, and so we want to say at the outset that we are going to offer to you gentlemen, only to the degree to which you desire to accept, such of our professional experience as may be helpful now or may be helpful to our country in the future. We are hoping that our experience may lead us forward into methods that will be better suited to a great need, than perhaps the more limited methods of peace times would be. It is not your fault, and not altogether our fault, that we have to follow those limited methods in peace times. It is natural to our country and to our form of government, and we know that; therefore we would prefer to spend no time in discusison why this is as it is, but proceed to consider what we shall do to make it the thing we would desire to have it. We have had no time for a formal conference, and therefore what I am saying I am saying as I have gathered the impression from these gentlemen, meeting them informally for a few minutes before our meeting here today. I am confident, however, that I am voicing their feelings. My own thought was that we could subdivide this work among the members of this Committee, so that the men who have had special experience in certain lines, and who know others who have had special experience in those lines, could call for those

experienced persons to come here and, to such degree as you gentlemen feel it is desirable, submit to you the results of their experience. We have no thought whatever of paralleling the system which you have already built up with another system. That would not be practicable, and certainly would not be desirable under these conditions.

7 My own thought would be that at this time we should confine our immediate efforts to suggestions which would apply to operations which are now going forward within the organizations that you represent. If we have a war that develops a great emergency, such as we are not now contemplating, we cannot foresee what we may have to face. We may face what England faced—the necessity for immediate preparation for a crisis, with all the things involved in such a situation. The Secretary has said nothing about that, and it therefore does not rest upon us.

If I have not outlined what Mr. Coffin, as a member of the Council, has in mind, or if I have not outlined correctly what the other members of this Board have in mind, I am going to ask them, while you gentlemen are here, to express their own views, so we may come to a common view, and then what proceeds from this meeting will be based on this expression of opinion on this platform.

I will ask Mr. Coffin to elaborate upon, or to differ from, anything that has been said, and to express his views.

Mr. COFFIN. Mr. Chairman and Gentlemen, I think Mr. Scott has very admirably outlined the ideas behind the formation of this Board. The Board in its activities is, of course, one of the initial—or will form one of the initial—links in the whole general scheme of industrial mobilization. Its work will form a preliminary step toward the giving of specifications, drawings, and information to manufacturers covering the production of war materials; and in that I mean—I will simply read one or two sentences from the act creating the Council of National Defense:

> That it shall be the duty of the Council of National Defense to supervise and direct investigations and make recommendations to the presi-
> 8 dent and the heads of executive departments as to the location of railroads with reference to the frontier of the United States so as to render possible expeditious concentration of troops and supplies to points of defense; the coordination of military, industrial, and commercial purposes in the location of extensive highways and branch lines of railroad; the utilization of waterways; the mobilization of military and naval resources for defense; the increase of domestic production of articles and materials essential to the support of armies and of the people during the interruption of foreign commerce; the development of seagoing transportation; data as to amounts, location, method and means of production, and availability of military supplies; the giving of information to producers and manufacturers as to the class of supplies needed by the military and other services of the Government, the requirements relating thereto; and the creation of relations which will render possible in time of need the immediate concentration and utilization of the resources of the Nation.
>
> That the Council of National Defense shall adopt rules and regulations for the conduct of its work, which rules and regulations shall be subject to the approval of the President, and shall provide for the work of the Advisory Commission to the end that the special knowledge of such commission may be developed by suitable investigation, research, and inquiry and made available in conference and report for the use of the council; and the council may organize subordinate bodies for its assistance in special investigations, either by the employment of experts or by the creation of committees of specially

qualified persons to serve without compensation, but to direct the investigations of experts so employed.

That covers not only the thought behind the creation of this Committee, but gives you in some detail the legal authorization for its creation. This committee stands in an advisory relation with the Advisory Commission of the Council of National Defense, which is a body formed immediately under the supervision of the Council of National Defense, which, as you know, consists of the six cabinet officers.

This Board is a legally constituted link between the military departments of the Government and the producing industries of this country. And my own impression is that as time goes on its work will be very much extended beyond the intentions of the immediate moment, which are, in a narrow sense, more particularly directed toward drawing into the military departments the expert talent of the country with a view to being as helpful as may be in fitting the specifications and drawings of the military departments for the
9 maximum quantitative production through the manufacturing industries of the country. It is our thought that through the activities of this Board we may now legally draw into the military departments the experience which has been developed through the two and one-half years of making war materials for foreign governments. Previous to the creation of this Board there seemed to be no duly constituted channel through which this experience could be made practically available to the departments of the government. I think, Mr. Chairman, that is all.

Mr. Scott. Thank you, Mr. Coffin, for that official outline.

Mr. Gifford, do you, as Director of the Council of National Defense, wish to express your views?

Mr. Gifford. Mr. Chairman, I do not think I have anything to add to what Mr. Coffin and yourself have already stated. The main thing which I am interested in, in connection with the work of the Board, is exactly the machinery by which you are to accomplish the things you desire to accomplish; the machinery by which Col. Babbitt and Admiral Earle are to present the problems to the Board; because one of the troubles that confronts the Board is precisely how to get at the work which you want to do, to get concrete and definite things to be done, and to get the concrete and definite advice that is desired. We expect to hold these meetings, and we can meet, and meet again and again, but unless we determine precisely what the next step will be—precisely the drawings and specifications that are to be brought to the attention of this Board for criticism and advice, our efforts will not be to the purpose. We have also to consider how these drawings and specifications are to be put in shape to be given to the producers of the country, how with his limited force Col. Babbitt's department will be able to do that; and if he has not the
10 force necessary, how we can help him to get the required force under existing laws; and if still it cannot be done, what recommendation we can make with regard to the necessary laws or changes to enable it to be done.

Mr. Scott. I am going to call on Col. Babbitt and Admiral Earle, both, before we finish; but as this is our first meeting and we are just getting acquainted, I will ask you gentlemen to let the whole

committee express their views, so as to get a reflection of the views of the committee. So far as I am concerned, Mr. Director, this is to be purely a "hammer and tongs" committee. We want to do whatever we are expected to do. This Board would like to have whatever contribution these departments can give and have the task completed. We particularly would like to have it understood that we know if we cannot find a workable method by which we can reach these departments, then the Government loses the benefit of what we know is a great body of valuable experience; and we fail in the patriotic service that each one of this committee, I am sure, is anxious to render to his Government.

I will ask Mr. Van Dervoort to speak next, and I am going down the roll, omitting Col. Babbitt and Admiral Earle until the last.

Mr. Van Dervoort. I am impressed with the fact that what we want to know is what the army and the navy most wish us to do. And once acquainted with that information, I feel that this body of gentlemen will find it within their power to be of material assistance; and I, for one, want to assure Col. Babbitt and Admiral Earle that anything we can do within our power we will be only to glad to do. These gentlemen have had a vast amount of experience in the past two years in the production of munitions and materials that have gone abroad, and it seems to me as though the manufacturers of this country have learned a very great lesson during that period, and
11 that it would be indeed unfortunate if our own Government could not profit in a very large measure from the experience that has been gained, not only by our own manufacturers but by those actively engaged in this war in Europe; and to that end I am sure that the manufacturers are ready to lend very full cooperation in every detail to the two great arms of our defense organization.

Mr. Pratt. There are but two points of view I wish to mention; and one is intended to bring out information rather than to give it. It seems to me we must assume that all the arms, and all the munitions and all the accessories which are actively demanded by the departments of the Army and Navy have been designed scientifically and intelligently, have been manufactured, or are in process of manufacture, and all the requisites have been established. If so, there is very little for this committee to do. For my own information, I will start on the assumption that such is the case, and if there are instances where that is not the case and we can be of any assistance, it of course goes without saying that our presence here demonstrates our willingness to do what we can. But I am in entire ignorance of what we are to accomplish. The fact that we are gathered together here indicates that there is something as to which these gentlemen think we can be of assistance to them; but so far as my information goes, my premises are correct. I think I am correct in saying that methods of manufacture can be as well established both in the Government factories and in connection with such outside contracts as have been made. The mere fact that a vast quantity of manufacturing facilities of this country has been engaged in producing for European Governments under existing conditions, does not
12 alter those premises. There is no doubt this work has been done under the greatest difficulty. I know definitely of very important contracts, running into millions of dollars, for which for

months and months after the contracts were closed it was utterly impossible to obtain drawings and specifications that any man could understand. This is a plain statement of facts, and no exaggeration; and while there was an entire willingness on the part of foreign representatives to do all they could, their hands were tied, channels of communication were obstructed, etc. These situations must not exist.

The only other thing I want to speak of at all is this: As you all probably realize, the American Society of Mechanical Engineers has sent out invitations to members to prepare papers, and present a sort of symposium, as it were, upon this very subject we are discussing, and this should bring out very valuable data. It will represent actual experience of these gentlemen.

Mr. OTTERSON. I was fortunate in spending a number of years in the Government service, and from that experience I know how splendidly the technical work of the Government bureaus has been performed, and I do not believe this Council or this Committee could add very much to it, except possibly to suggest ways and means of adapting peace-time standards to war-time conditions, and the possibility of so modifying our designs that they become more practicable as a manufacturing proposition. In times of peace I think the Government bureaus are quite properly interested in maintaining the highest possible technical and engineering standards, and to that end they work with exceedingly close tolerances. Their aim is probably to hold the manufacturer to the closest possible tolerances.

But if we are going to produce munitions in quantities for a
13 very definite purpose, I think we will have to change that aim somewhat—let down the bars a little, and widen the tolerances, so as to make it possible for the manufacturer to produce munitions under the adverse conditions that will prevail if the country goes seriously into the work of making munitions.

Aside from the technical phase of the problem, I hope, as a further suggestion, that this Board might eventually be of some service in the organization problem. It seems to me the Government organization runs more or less along the departmental and technical lines, and that there is, perhaps, a need for broader organization. If you assume that the Government organization is under vertical control, we need something in the nature of horizontal control; and I think possibly some of our experience during the last year or two demonstrate the need of that horizontal control on the part of any country attempting to produce large quantities of munitions.

Mr. SCOTT. Mr. Vauclain, I think you are the senior in our group—in experience, certainly—and we will be very interested in having your views, after all the experience of the last two years on top of all your other years.

Mr. VAUCLAIN. As Mr. Coffin may tell you, I was rather reluctant to accept a place on this committee, because I could not arrive at a conclusion myself as to what the necessity for this committee might be at this particular time. Of course, if this country were to engage in war, or get into any difficulty requiring an immense production of military supplies, I could then understand why a working committee of this sort, composed of manufacturers supposed to be skilled in the

rapid production of manufactured articles of any kind, and
14 especially of those necessary to both arms of the Government, could be of assistance. There would be plenty to do, and

it would be absolutely necessary for the Army and Navy Departments to ascertain to what extent their specifications would have to be modified so that rapid production and sufficient material of a suitable quality could be made available for the work that they wish to put in hand.

I think that the first thing we need, as a committee, is to have some work put before us, so that we can gain an idea of just what will be required of us. I think that everybody in this country has absolute confidence in the technical ability of both branches of the service—the Army and the Navy. Personally, I feel that they are perfectly capable of taking care of the whole situation, no matter what that situation may be, and that in the course of taking care of that situation the first support that they would reach out for would be the leading manufacturers of the United States.

The next thing that would follow would be as to how far, in the judgment of these various manufacturing corporations, it would be necessary to modify specifications and designs so that a rapid accumulation of arms and munitions could be had.

It is perfectly natural that I have a few ideas on this subject myself, and when the proper time comes I may be afforded an opportunity to ventilate them. At the present time, I can add very little to that which has been said, except to say that now I am on this committee, I want somebody to give me something to do, and I look to the Army and the Navy to do it.

Mr. SCOTT. I am sure it is very gratifying to all of us, Mr. Vauclain, that you have overcome your reluctance to serve.

Admiral EARLE. I am hoping that after you have given us the benefit of your views, you will be able to tarry with us just a
15 little longer, as I am formulating a little plan I have in mind as a tentative outline for the work of the committee. May we hear from you now, please? I think we already appreciate the successful work your department is doing; and since I spent that afternoon with you and Lieut. Lytle, I am particularly impressed with the progress that has been made.

Admiral EARLE. I appreciate very much the object of the committee in the cooperation you are giving us, and I feel sure we will have to call upon you for several matters very shortly.

Several gentlemen have spoken about concrete examples, etc., and I believe that when I came in you were talking about the difficulty of furnishing manufacturers with proper jigs, gauges, etc., in order to do their work; and not only that, but the proper blueprints with which to carry on the work.

We are limited in the amount we can do in the Bureau of Ordnance because of the inability to get draftsmen and clerks, due to the law of Congress which states that no person can be employed in the Navy Department unless he is specifically asked for in the Appropriation Bill. That is, at present we are unable to employ a single additional clerk or draftsman. That is the concrete proposition we face. That is tacked on to the end of every Naval Appropriation Bill, and it was the fact that when my bureau, for instance, handled but ten millions of money a year we were allowed the same number of assistants that we have now when we handle 138 millions and more a year. The result is that things are not probably up to the state of perfection that we would like to have them. Our clerks

are working in my bureau these last two months on an average of a month overtime each, which is not right. They get no additional pay, and are doing it merely as patriotic citizens. That is the
16 proposition that faces us in the making of extra drawings and things of that nature. We want to get a large amount of gun mounts. We tried to get drawings to the manufacturers when we were making a large amount last year, but were compelled to ask the manufacturers to bring their own help down to the Navy Yards. We have been going along in this way, and it is very unsatisfactory to all concerned. We have been compelled to ask them to make their own jigs and gauges, whereas we have always supplied them heretofore.

Mr. PRATT. Will not this emergency appropriation help you out?

Admiral EARLE. No; the law cancels everything that goes before. I am not the only bureau that has complained. Every bureau made a very radical attempt to have that provision put out, but it was kept in.

Another concrete example: Several of you gentlemen are interested as experts in steel. Our requirements are very high, possibly too high, and I would like to submit it to proper expert advice in this Board so that I may be advised whether it is safe or wise to change our requirements in order to get more expeditious delivery. Particular items are such things as torpedoes. We need a large quantity of torpedoes. We are behind, due to inability of manufacturers to make proper steel for our purposes. It is necessary to sustain a high pressure, and we must be prepared to get them in any quantity. There are only two or three concerns that have attempted to do it, Bethlehem Steel Company, National Tube Company, and the Erie Forge Company.

Those two propositions are all I think of now.

Mr. VAN DERVOORT. Does this steel proposition also apply to your shells?

Admiral EARLE. Yes, sir.

17 Mr. VAN DERVOORT. I have noted lately that specifications provide for certain percentage of nickel in the copper for the bands. It is extremely difficult to get copper people to do anything with that alloy; whereas in all the shells done for the British they are using electrolithic copper, easily obtainable. This is where I think the manufacturers can be of considerable service.

But the condition you mention regarding the question of help is simply terrible. It is more than a good many manufacturers can possibly conceive of.

Mr. SCOTT. This is the sort of thing I had in mind—that when we get into this we would discover that many of the limitations with which the government departments are burdened, and about which civilians complain, really go back to the civilians themselves, who are permitting Congress to do certain things that cannot be done consistently with sound business methods.

Mr. GIFFORD. We meet the same difficulty in the Council of National Defense with a $200,000 lump appropriation. We cannot pay the rent without special act of Congress, or buy a book, a magazine, or a newspaper. Although the Advisory Commissioners were to be paid

their full expenses, we cannot pay them more than $5 per day. And so we go through, day after day, with these difficulties. It is perfectly impossible for a civilian to understand that. It was impossible for me to understand it up to three months ago, when I first came here, but it is really so.

Mr. OTTERSON. Would it be going beyond the power of this committee to ask Admiral Earle at the present time to give the committee similar items to the ones he refers to, regarding the restrictive clause in the Naval Appropriation Bill, and let this committee make
18 such recommendations as seem proper with a view to having such clause stricken out?

Mr. SCOTT. If there are other things Admiral Earle has now in mind that he would like to present. It may be he would rather give more consideration to it, and make it more final than he may be able to do off-hand. But this is a serious difficulty that I observed when I was in his office and in Col. Babbitt's office the other day.

Have you other things, Admiral Earle?

Admiral EARLE. That was the main one. Another thing is the lack of authority to rent additional space. Practically we cannot purchase a book for the Bureau of Ordnance, but that is gotten around, as some things are gotten around; as several of the stations under my command are allowed to purchase professional books, and I have them purchase them and send them to the bureau.

Mr. GIFFORD. With reference to Mr. Otterson's question as to whether it would be within the province of the Board to make recommendation on matters of that sort, I should think it would be.

Mr. SCOTT. It is not within the things outlined by the Secretary, but I take it that anything that moves in the general direction of efficiency the Secretary would welcome.

Mr. GIFFORD. I am quite sure that would be considered within the province of the Board.

Mr. SCOTT. We ought to have a preliminary report presenting that we find one of the serious difficulties is that departments are so limited they are not in position to furnish the desired information, and that we recommend that the following restrictions be removed; namely, the restrictive clause referred to by Mr. Earle, and any other things of that nature.

19 Mr. OTTERSON. May I ask Col. Babbitt and Admiral Earle if there is any objection to furnishing this committee with this information?

Col. BABBITT. I see no objection at all. The Secretary of War has brought me to this committee for consultation with it and for such assistance and cooperation as we can furnish. It is, I know, the desire of Gen. Crozier, and it certainly is mine during the time I am occupied with his duties, to cooperate fully with the gentlemen who have been kind enough to offer their services. We will endeavor to give you all the information possible, and reserve nothing. I think we are much indebted to you gentlemen for coming in this way and offering to assist us; and while the assistance you will find will often be very difficult, yet we want it whenever it can be given. And in endeavoring to do that we will show you fully the troubles we have and the particular obstacles we have to overcome. Admiral Earle has mentioned this in his department.

We have a number of restrictions in recent legislation passed in the last two sessions of Congress. It related to the fact that we cannot purchase when the cost exceeds by 25% that which we estimate can be done in Government factories. It restricts us in the hours of labor, except in urgent times. And in dealing with manufacturers we must get specific authorization of the Executive in each case to change the hours of labor. Restrictions as to clerks is as critical with us as with the Navy Bureau. At last session, however, we succeeded in getting some relief on the question of draftsmen. We were able to hire a building across on New York Avenue and have installed there something over 100 draftsmen now, and are making arrangements for another building of equal size for an equal number of draftsmen. The Chairman of the Subcommittee on Appropriations put that in at the earnest solicitation of this department. It has been the first relief we have been able to get. So bad was it before that that we were obliged at great inconvenience to send draftsmen and officers to some outlying building, where we could hire clerks, with the result that we had to do business by messenger or mail back and forth in order to keep it going.

So I am sure our department will furnish this committee with anything we have.

Mr. SCOTT. I was going to suggest—and the Director has made the same suggestion—that as we are now a formally appointed Government body, those of us that are not already sworn in should take the oath of office which has been provided by the Council, which relates to the subjects that we will receive in confidence from these departments.

(Such oath was thereupon administered.)

Mr. COFFIN. I am not quite sure that the manufacturers of this country, as represented by some of the gentlemen present here, quite realize or have quite taken home to themselves this whole problem of national defense. There has been an expression on the part of several of the gentlemen to the effect that they are willing to be of service provided the gentlemen from the War and Navy Departments can bring their problems to them; and there seems to be a little tendency to place themselves in a sort of disinterested position of the man who sits on the side lines and offers advice as it is asked, without any real feeling of responsibility.

Now, the two years and a half of the European War should have brought home to every one of us that war as it is now waged, and as it will be waged in this country if we are ever so unfortunate to get into a real one in the future, will involve every man, woman, and child, and all the resources of the country, and that the arms of our service are no longer two, as we have always thought them—
21 Army and Navy—but there are now three—Army, Navy, and Industry. Those who go to make up the industrial side of this great national service are shouldering just as great a responsibility as any man or officers in either War or Navy Department; and our relation to this whole thing is not one of disinterested aloofness, but it must be one of the most active and energetic cooperation. The officers of the War and Navy Departments are admittedly the masters of their art and have spent their lives in it; they live it, sleep it, and eat with it; but in the very nature of things they cannot possibly be

expected to be masters of the art which we have spent our lives in learning; and our side of this whole proposition is the quantitative production of materials of war which you gentlemen may some day be called upon to use, and our experience in this phase of the work must be linked with that of the skilled personnel in the War and Navy Departments in order that we may present a proper front in case of future aggression. There is no doubt in my mind that this little group here in this room as the Munitions Standards Board will have more weight before the Congressional Committees and before the Committees of the Senate in forcing a loosening up of the restrictions with which they are now tying up these departments in a most unbusinesslike and unprofessional manner than any other possible combination of people.

Mr. SCOTT. I have thought that we have access to very large and influential organizations and associations, and there are many methods by which the proper kind of education can proceed in such matters.

Mr. COFFIN. That is the point I wanted to bring out. We have also this possibility before us: That, taking the view that industry is responsible for its easy third of this question of national defense, assuming that Army, Navy, and Industry must shoulder the burden, Industry must be impressed with that responsibility and must
22 be prepared to make some sacrifice in taking its part of the program. And if necessary, in case of emergency, I do not believe there is the least doubt but that the industries may be called upon to supply men of special skill in certain definite lines to come in here and serve in the special lines of work in which departments may be unable to move because of imposed restrictions.

For instance, Mr. Van Dervoort here sits with us as the representative of fifteen (if I am sure of the number—it is increasing rapidly) of the greatest national manufacturing organizations of the world. There is not a manufacturer represented in any one of these fifteen great national organizations who will deny this Board anything within reason that it may ask for. They will send their skilled men here for certain definite purposes, if they are requested, I have no doubt whatever.

And if it is a question of considering the specifications and drawings or certain other definite things—suppose we take the high-explosive shells Mr. Van Dervoort mentions—through this Board it is planned we will call in here for conference and for actual work, if necessary in definite departments, the skilled men of the country who have had to deal for the last two and one-half years with the very problems which you are now dealing with. And it seems to me that I cannot say too much to impress upon you gentlemen here and, through you, upon the industries you represent, that this is no longer a question of a disinterested attitude of sitting on the side lines, but it is a question of getting in and listening very carefully for the quartermaster's signal.

Mr. VAUCLAIN. Mr. Chairman and Gentlemen: The remark about the manufacturers and their responsibilities seems to me to be somewhat unnecessary, because all the manufacturers of this country recognize what their responsibilities are, and every one of
23 them is anxious to go the limit in support of the Government

in the way of giving advice. But with all the leading men that I have talked with there is a hesitation—a natural hesitation—to come forward with suggestions or even offers of assistance or anything of that sort until they first know what the policy of the Government is going to be and what the requirements of the respective arms of the service may be. We have the army and navy, and, as Mr. Coffin stated, industry is added to those two. Industry is ready; and the performances of American industries during the last two and a half years has demonstrated in my mind that it is perfectly able to take care of any situation that may arise. What we want to know, speaking for manufacturers, is what this situation is. If we are to go along in a peaceful way and live peaceful lives for the next ten years, we would, of course, proceed in an entirely different way from what it is contemplated we will have to proceed, because, looking forward into the future, the outlook is not peaceful, and we have naturally been discussing among ourselves what will be the best course for the Government to pursue in case we get into difficulties.

It seems to me that standardization, while necessary, is not such an important matter to us or to the Government just at this time, as it is to consider what steps should be taken to conserve the industry as it has been established. That industry is just upon the point of being dissipated, torn up by the roots, and scattered to the four winds. It has taken two years and a half to put it in the shape it is now. The Government may need it, and may need it badly. Unless prompt action is taken by somebody—and that somebody would naturally be the Government—these plants will be uprooted, and in order to get back to anything like our present capacity for supplying munitions of war it is apt to take a very long period of time.

I have been discussing this matter with representatives of Russia, England, and also France, and they feel that the most serious problem we have to consider now is what are we going to do with the organization that we have created. Are we going to let it go to pieces, or take some steps to hold it together while it can be? Inside of sixty days, or less than that time, probably every contract for a foreign Government, so far as munitions is concerned, will have been cleared up. Some few contracts for large guns, such as howitzers, machine guns, etc., may probably still continue for a period; but the British Government today is making every effort within its power to curtail such purchases as have been made, to reduce their contracts, and to take advantage of the time limit under which those contracts were made. So that, from my point of view, at this particular time, this committee, if it has the power, should try to impress upon those who will be held responsible the necessity of arriving at a decision as to what we are going to do with these organizations all over the country that are just about through and ready to quit.

Mr. GIFFORD. Mr. Chairman, may I explain what has been done? That very matter has been under consideration on the part of the Council of National Defense. Of course, there is no appropriation for the purchase of large quantities of munitions, arms, rifles, and guns. The Appropriation Bill for 1918 did not go through the last session. Therefore, we are in the position here, almost, of saying to

you, for instance, what can we do about it? That, of course, is no answer to the problem. So we decided the only thing to do was to find out in detail the exact situation, so that in the next session of Congress, if necesary, we can present to them a complete story of exactly what that means—this going out of business—tabulating the firms and the number of different makers of the various classes of shells, etc., that are retiring from business. We have sent out a questionnaire to several hundreds of firms this week, asking for information. The object of that is to graphically get together a summary of what this problem, which you as an individual know personally about but which the people down here only know from hearsay, really amounts to.

Second, we have been engaged in making a complete tabulation of the approximate requirements in the way of munitions—meaning particularly, by munitions, rifles, revolvers, and large guns, ammunition, etc., that will be needed to mobilize a million men, and the amount needed to keep those men in the field four months; in other words, how much we will need to go into four months' warfare, compared with the amount now on hand. That tabulation will show that to go to war we will need so many million rounds of small-arms ammunition, that we have so many million on hand, and that we will need so many million more; also how many small-arms manufacturing plants are considering going out of business. Now, a proper presentation of those facts should bring out the solution of the problem, what are we going to do about it?

Mr. PRATT. Mr. Coffin will not, I trust, misunderstand me when I take exception to his classification of people on the side lines. I am not accustomed to be found on the side lines, nor those with whom I am associated; but when people come to offer me help I think they had better ask me in what form they can best help, because I assume I know my business and I believe these people and these gentlemen know their business. We do not want to be nuisances around the house; we want to be of assistance; but they are the people who are putting out these specifications for this work, and every man stands ready to turn his facilities, body and soul, over to this work whenever asked to do so.

Now, what Mr. Vauclain says is true of every active concern almost in this country. Just take my own line: We have refused an offer for equipment for making twelve-inch shells which has been working with the utmost precision and accuracy for two years. We can sell that entire equipment for what we paid for it, besides operating for two years. We have abandoned certain departments; they have been completely disassembled; but we might be able to get the machinery back. On the other hand, we are holding large departments, substantial factories, in quiescence, doing nothing, when we need every square inch of space we can get—simply awaiting action, if any is to be taken by this country. It is absolutely nonproductive, and we need all the space there is and every machine, and they are being held there in absolute idleness awaiting the outcome of this situation.

Mr. VAUCLAIN. I received the circular that Mr. Gifford refers to and replied to it, but those replies are what I might call miniature replies. I do not see that they will count very much in the way of

information. It is impossible to describe the situation that really exists in the large manufacturing establishments in connection with the departments that have been created for the manufacture of munitions.

The many plants with which I am connected has led me to hesitate a great deal to go on this committee, lest anything I might do or say might be construed by some—not by the committee or the departments represented here but by outsiders—that I was probably
27 exercising commercialism to a slight extent in my decision.

But in Philadelphia I have a 12-inch-shell plant of which I propose merely to turn the keys of the door and hold it intact. It has been idle now since the third of March. It has a capacity of 4,000 12-inch shells per week. Of course, if the Government is not going to need anything of that sort, we will disband it in due season. We have at Eddystone a shrapnel plant capable of turning out 25,000 a day, which will be through with this work about the end of April or the first of May. There is nothing to be done with that plant but simply to sell off the machinery and disband; but we have not disturbed a single piece of idle machinery there. The machinery is kept in place and ready at a moment's call to become active again. It costs us a very considerable loss because we want the space; we want to equip it for locomotive work, and this space will be very valuable; but we are afraid those buildings, tools, machinery, and the organization that is there may be needed by the Government.

We have also the largest rifle factory in the world, producing now some 45,500 rifles daily for the English Government, which is entirely independent and separate from anything—that is, organized and started expressly to supply the English Government with rifles. We will be through with that work shortly. We have already stopped work in some of the departments and are keeping the machinery standing there. The machinery is the property of the English Government when we are through with it, but it could be purchased, I am quite sure, and I think the United States Government would be very wise in purchasing it immediately, or taking an option on it, and simply turning the key and holding the plant so that in case of emergency they could get it in operation and get a supply of rifles.

I might add other buildings and plants we have created—
28 one particular shop for the manufacture of 6-inch shells; an eight-story concrete building, which cost a million of itself, independently of the machinery, working twenty-four hours a day now, turning out 6-inch shells for the English Government. It will be completed by the end of next month. We can turn the key in the door there and wait, but it involves a large amount of capital being tied up. We could sell that machinery and realize on it. We have people coming to see us every day wanting to buy it and put the plant into service for locomotives. A feeling of patriotism extends through our workmen, a little over 50,000 men being engaged there in various manufactures—it is really striking. The shops have been decorated from end to end with the American flag and the utmost enthusiasm prevails, because they feel they may be called upon to support the Government. They are willing to work day and night, and they feel that the management and owners are doing everything in their power

to hold the organization together until such time as the Government may decide whether it wants to make use of such an organization or such a body of men.

The type of weapon is one, in my mind, that may be influenced by our necessities. We have three rifle plants in this country that have just finished contracts for the British Enfield rifle—a rifle that can be changed in a very small amount of time to use the regular American cartridge such as used in our Springfield rifle, so that we would have no mixing of ammunition; and I see no reason for hesitation in modifying the rifle to become the standard rifle of this country.

The same with our heavy field guns; instead of compelling our manufacturers to create jigs, gauges, and special machinery for the manufacture of a special type of gun. Take, for instance, the 8-inch field gun. My judgment would be that the Government
29 should immediately adopt the 8-inch gun of the British Government, which has proved itself an excellent weapon, and for which both of our largest gun factories in this country have not only all the jigs and gauges but all the special machinery ready to manufacture, and quick production could be had. Of course, in time of peace, we might do better to make our own type of gun. Therefore, I feel, after all that has been said, the same as I felt when I first spoke. As a member of this committee, I want the proper officers of the Army and Navy to put before us what we have to do. We will be glad to do it to the best of our ability. I have confidence in them, and I believe they will have confidence in us when through with us.

Mr. OTTERSON. Would it be proper to pass a resolution authorizing the Chairman of this Committee to transmit to the War and Navy Departments a memorandum stating that we have convened, and that we are organized, and that our organization is so and so, and that we would be pleased to receive from them suggestions as to the manner in which we can cooperate?

Mr. SCOTT. I think that is entirely proper, and I shall see the proper officials through the Council of National Defense. I will entertain such a motion.

Mr. VAUCLAIN. I second that motion.

Mr. SCOTT. Is there anything to be said upon that?

(At this point the discussion was interrupted while oath was administered to the members of the Committee.)

Col. BABBITT. I think it might be of assistance if I mention briefly some of the things we have been doing.

Mr. SCOTT. I want to call upon you, Col. Babbitt, to emphasize more fully what has been said. I think, Mr. Vauclain, we all
30 feel just the way you do. That is what really leads to the appointment of this committee. But there appears to be no power now to give the answer which we, and others situated as we are, need. That power has to be established. Perhaps we can help in establishing it. It is power of public sentiment and appreciation of the fact that this is an opportunity, and if we are going to war, we must take advantage of the opportunity. It will rest with us, perhaps, more than anyone to impress that upon the public. I personally know of no authority now that could answer the questions asked except the President of the United States, and he will in due

time probably receive impressions from this committee and the Secretary of War in that direction. It will be easy for us to drift into complications that will nullify the possibilities of our whole work. We must take hold of this thing by the ends that present themselves to us and follow those ends back to the center, and I believe we can do that successfully if we will be a little patient in the operation and keep on going.

Col. Babbitt, will you proceed with the things you have prepared?

Col. BABBITT. I was summoned by the Secretary without knowledge of what was going to happen here. I have no notes or anything which I can refer to specifically, and what I have to say will, therefore, be more or less disjointed.

As your Chairman stated, there is now no power which would permit a decision as to what we can do with the private plants. It is self-evident that if we go into war and Congress authorized the Army and Navy to meet this condition, all of these plants, or many of them, will be required, and they will be put in operation in some form. I think, too, it is quite plain that in normal peace times it will be impracticable for the Federal Government to maintain such large munition plants idle. I think Congress would
31 hardly give us money for that purpose. It is possible they would if these plants were purchased at the beginning of the war; they would then remain in possession of the Federal Government.

Mr. PRATT. It seems to me that would be unwise.

Col. BABBITT. It would probably be an unwise disposition. The policy of the Ordnance Department, within the limits of the restrictions imposed by legislation, has been to maintain its own plants in the minimum of economic production, placing all the rest of the money available in private plants for the purpose of not only maintaining them in the art of manufacture but also having in their plants some of the gauges and fixtures that are necessary, even if to a limited extent only. They would then have the necessary knowledge there and some of the molds to follow in expanding. Unfortunately, for the last two years, due to restrictive legislation, that has been largely nullified. We have been unable to go into the manufacture until we have put plants on a two-shift basis. There will be before this committee, probably in a short time, a request for the designation by this committee of several plants to which we can give what might be called "educational" orders, which would mean that they would necessarily be small; and if we are restricted to small sums by Congress, we are allowed to place those orders without competition, and they would be placed upon recommendation of this committee, bearing in mind that the Federal Government, as a general proposition, desires more to maintain and encourage a plant that is relatively safe to one that is immediately on the seashore. That is, just as an investigation it would be a little better; but where if we have an emergency thrust upon us we must take all available plants, especially where we find the art has been far advanced.

The designation of this committee, of course, was for the
32 standardization of munitions, and I wanted to review a little bit the situation as it now is with reference to the Ordnance

Department, which is charged with the manufacture of munitions in the restricted sense in which most of you know it, namely, the guns, munitions, etc., rather than in the broad term which necessarily includes all field equipment; indeed, everything that may be needed in the operation of war. In the quantitative production which would come up in case of war, there are perhaps four large classes that appear in our work. We have, of course, the small arm, which must be produced in large quantities; ammunition, which must also be produced in large quantities; and we have the shells for the mobile artillery, as distinguished from seacoast artillery. This means a complete round, which involves cartridge case, projectile, powder, and fuse.

Now, with reference to the small arm, we took up the question of preparing specifications for manufacturing in quantity about a year and a half ago, with the usual limitations in our activities which come from a lack of funds, and put a large force upon it. It had to be done concurrently with other work, with the appropriations made, with the result that it was not until some fifteen months later that specifications took actual form, and we were prepared to discuss them with manufacturers. Since that time we have had specifications and drawings sent to the largest of our manufacturers who have very kindly examined them and given us their opinions as to the points where they would not apply readily, and we are now in process of coordinating the views of the three or four from whom we have heard, with a view to getting them on a working basis.

We are aiming toward a capacity of the two plants, Springfield and Rock Island, of about a thousand per day. Actual production is about 300 to 500 a day. The Rock Island Arsenal has been
33 out of commission for some time past, and it is difficult to get the organization in shape again.

Mr. VAUCLAIN. May I ask whether you are limited as to the wages paid?

Col. BABBITT. No; we are not. The practice of the Department is that we shall pay the average wage in the neighborhood for work of like character. We have a wage board at every arsenal, consisting of one officer, or perhaps a superintendent representing the management, and a representative from the employees in the particular trade under consideration; and those men are supposed to visit the surrounding plants and obtain the wage scale in the neighborhood for work of like character. In doing that we necessarily have some disagreement as to what plants shall be considered. In a city like Boston, for instance, the men seek to take the small jobbing shops, where they have skilled men who are paid very high. But that is our method. We desire to pay as much as the neighborhood is paying, but not more.

Mr. VAUCLAIN. Salaried men, as well?

Col. BABBITT. I think we are underpaying all of our salaried men. Our clerks and higher-paid men are underpaid; and, of course, our officers, as compared to the heads of the thing, are not being paid at all as compared with what they would get if they undertook similar work elsewhere. We are all under civil service.

Now, so much for the rifle. We hope and expect that we will have a set of specifications and drawings very shortly in such form that

any manufacturer can take them who is skilled in the art. No manufacturer can build a gun who has not had experience; it is too difficult a problem to step right in without a great deal of hard work. It is not so easy as it looks.

Now, in connection with that, Congress authorized us to expend a certain amount of money for the manufacture of gauges, fixtures, etc.; $200,000 was carried in the appropriation for this purpose,
34 and we are now embarked on the plans for manufacturing a set of master gauges, a set of inspection gauges, and a set of working gauges for the rifles on the basis of turning out probably 1,000 arms a day. This will expend all of that money, with the result that we will not get all the working gauges we want.

In connection with this, if we go into the war and a plant is working for the Allies the probability is that the method of procedure will be for them to continue in their operation, at the same time putting their toolmakers and die makers to making the necessary fixtures to change over to our plant, and finally to swap over to our plant. If, on the other hand, we get to the point where we have to have guns for our own people and cannot get them in time, we will have to borrow Mr. Vauclain's suggestion, which is a very good one, taking the Enfield gun which may be changed for our ammunition.

With reference to the small-arms ammunition, we are trying to place orders with other plants making ammunition. We are also making five sets of gauges, both master and inspection, for revolvers and small-arms ammunition.

Mr. SCOTT. Is the fact that we call our rifle Model of 1903, and that the English are calling theirs Model of 1914, and the Russians are doing the same—does that represent anything in the progress of the art?

Col. BABBITT. No; really nothing there that is very material. The most important thing in the Enfield is the rear sight, which a great many advocate; but it must be remembered that in most cases of that kind the school which advocates that is developed on the target range for individual firing at a known target, and we do not find such a demand coming to us from the School of Musketry, where they are developing controlled fire in mass.

35 Muzzle velocity, trajectory, and range in 1903 are practically what they are in 1914. It depends on the ammunition. It is possible we might embark on a slight change in calibre and increase the velocity. We have seen England's difficulty in endeavoring to build a gun and trying to adapt it to these conditions.

With reference to artillery ammunition, we have orders placed with private manufacturers for complete rounds as soon as private manufacturers in this country who are producing fuses in quantity for foreign governments complete their contracts, and they are producing our fuses, by the way, similarly threaded for the British standard thread. We got from one of the big manufacturers their specifications under which they were working and sent to the Frankfort arsenal, and they have modified their specifications to meet that; so, if as we stand today with reference to those quantities which we must produce in this country, I think we either have now or will soon have conditions such that we can manufacture in quantity.

It should be remembered that we cannot let down too much on these specifications; we must hold as near to them as we can. I was talking with a young officer who spent eighteen months in the British service on the Somme. He told me, from his own experience, that territory covered by artillery fire is simply littered up with unexploded shells. Men lose their legs by kicking unexploded shells and grenades, and horses get their feet shot off in the same way by grenades that have been dropped. Men are hurt in the trenches by the same thing. Further than that, a great many men are killed by imperfect shrapnel. His own personal lieutenant had thirteen shrapnel balls in his back from the artillery behind him. So that the necessity for as great care as possible is seen, and that care demonstrated by our peace-time tests of this material should be followed, and we only relax in our specifications when we find the necessity.

36 I do not mean that we should not make a real study and be prepared to make in quantity and quality as well, as I think we can.

Mr. VAUCLAIN. I do not think quantity of production requires quality to be impaired.

Col. BABBITT. No; I think not; but we want to reduce needless restrictions, and I think one of the difficulties the departments have to consider most seriously in that connection is the class of inspectors. I think this is very serious. In all our inspection we should have the officer study his subordinates, so that when he finds a man is foolish or cranky he can send him some place else.

Mr. SCOTT. In order to do more than come to this common ground of understanding, I have made this outline of possible division of our work, which I want to submit to you gentlemen for your suggestions; and if I have not made an outline that is best adapted to our material on the committee, I would like to change it according to your views. I would suggest that we appoint each member of this committee a subchairman of a committee, which he will himself bring together, composed of experts, not to exceed three at one time. to take over from the departments a copy of the specifications and examine the drawings within the field I have outlined here, and then to give such suggestions as those experts wish to give, a record being kept, and the departments of course being at liberty to accept or reject as they see fit. We can follow the same suggestions when we come to our final report, if desired, in which our experts may revise their views according to the opinion of the departments.

I will outline this as though this were what we were going to do, and then it can be modified as deemed wise:

37 Mr. Vauclain, I will ask you to take the subject of field artillery and field artillery ammunition. By that I would mean, perhaps, artillery and ammunition up to six inches—mobile artillery. We can discuss as to whether this will interfere with the other division that I was going to make, in asking Mr. Van Dervoort to take high-explosive ammunition and large-calibre artillery. Perhaps the field will naturally divide itself between these gentlemen. I do not want to overwork anyone, but I want to ask each gentleman to do the work promptly, say, within ten days or two weeks.

To Mr. Otterson, small arms.

To Mr. Pratt, the particular subject, and I think one of the most important of all, specifications and gauges. I think this is one where

we are going to run up against it hard if we have war and we really have to try to produce in quantity.

This utilizes every man on the committee with the exception of myself, and I will take the subject of instruments. I have already begun on a list of munitions producers, which I have been working on for a week or ten days. The Secretary of War was authorized by an act of June last to prepare such list, but he has not had opportunity to prepare it, so far as I am informed, but the departments have undertaken to prepare it for themselves. I find a fine list in possession of both Army and Navy. I am now trying to bring those lists together and get one complete national list that will incorporate everything for all of us, and then the departments can use what they wish. In connection with that work I would have the help of Mr. Coffin and Mr. Gifford, whose work of last summer in the general canvass of the country fits right into that. I would also keep in touch with these subcommittees that are now appointed, so that we might center
38 our whole effort and have a constant movement of this work, until we make our preliminary report to the Secretary.

Mr. Deeds, I was going to put on the subject of fuses and detonators. That has been the subject to which he has given special attention during the war, and you can see I have been trying so far as I know what these gentlemen are doing, to assign subjects to which they have given special attention; except that I know Mr. Vauclain is posted on small arms, but the other will probably be all he will want to assume responsibility for.

Mr. VAUCLAIN. In connection with that division of the work, I would suggest that one of the members of the committee take field guns and ammunition, if you may put it so, for the Army, and the other take the guns and ammunition as applied to the Navy.

Mr. SCOTT. All right; I will put you on the Army and Mr. Van Dervoort on the Navy.

Mr. VAUCLAIN. That would allow you to confine yourself to the requirements of one arm of the service.

Mr. SCOTT. Yes; and you will find the problem different, of course, in the army and in the navy, and it will save you the confusion of trying to become familiar with the needs of the two branches.

Would you take the small arms and ammunition, Mr. Otterson?

Mr. OTTERSON. I think they ought to go together, and I will try to take that chairmanship.

Mr. Pratt, will you take the gauges and specifications?

Mr. PRATTE. Yes.

Mr. VAN DERVOORT. Of course, the greater amount of activity in this country, as well as in foreign countries, has been along
39 the line of army ammunition rather than navy, and we probably won't be able to get at quite as great a fund of information in the manufacturing work for the navy as for the army.

Mr. SCOTT. No; but on the other hand, I think you will find that right now in the matter of large calibre guns, production would be required for the navy rather than the army in case of trouble; so that that should have quite as early attention as the other. The Navy has worked in the same way that the army has on the development of its various formulae for metals, explosives, etc.

This has not touched the subject of explosives. I am ignoring that knowingly, because I think you will find that needs least attention of all things requiring our attention.

Col. BABBITT. I would like to have it made clear how you segregate the gauges from the guns and ammunition. It seems to me when considering guns and munitions you have practically established your gauges.

Mr. SCOTT. I thought of that, and see the point, and thought you probably would raise that objection. But I was thinking of the subject this way: Take the one question of gauges for the Springfield rifle. Here is an appropriation of $200,000 that has been made now for all that is necessary in connection with that. That one thing may require special treatment. You may find $200,000 is not enough and you may find that the things that have to be omitted are vital; and right there we come across a thing that is of first importance, because if we have a war we must have rifles. Now, if somewhere across that avenue there has been a fence built that we cannot pass, we had better find it out as quickly as we can. Perhaps we want to dynamite our way through that obstacle just as soon as possible. That is the particular thing I had in mind.
40 I regard this as one of the most important things we could meet with, because here is the Chief of Ordnance saying he prefers the Springfield rifle. Am I making that too strong, the question of rifles, and getting them ready?

Col. BABBITT. At the hearing before the Military Committee of the Senate I asked that they give us $600,000 on the Bill.

Mr. SCOTT. When you said $200,000 my heart sank.

Col. BABBITT. We wanted $800,000 for building a set of jigs, gauges, and fixtures, but it didn't go through.

Mr. GIFFORD. May I ask the Chairman about the specification end of your assignment to Mr. Pratt?

Mr. SCOTT. I meant to include jigs, fixtures, etc.

Mr. GIFFORD. You mean specifications of gauges or specifications applying to ammunition, guns, rifles, etc.

Mr. SCOTT. So far as that does not run into the work of the other committees. I meant it to go generally into the subject of specifications. That Mr. Pratt specialize in assisting us in the matter of the drawings and specifications, gauges, jigs, and fixtures, etc., that should come from these departments in case of need. Mr. Pratt may want to work with every one of these other committees. There will be cases of duplication, but these can be eliminated.

This is altogether an exceedingly large job and a most complicated job, because we have found our single plants complicated, and when we try to ramify through the whole problem, I know of no science that is not involved in this subject of war today.

Col. BABBITT. You will remember that war today is a business, and most highly developed, combining all the activities of
41 the country; and the history of this war abroad means we will need five men behind the line for every man on the firing line; and there is where our work will be cut out, really.

Mr. SCOTT. That matter of engineer reserve is not covered by legislation now, and should come from us?

Col. BABBITT. It should come from you gentlemen, if we are to create it, because we need the advice of the men who are to produce.

Mr. PRATT. Last year we took into our organization, within a single year, over 400 technical graduates. The consequence is we have a great number of educated young men. Today every engineering society in the land, in addition to the reserve officer's corps and the other different ones, are appealing to that class of men to enlist. They all see pretty straight. They say frankly, we want to do whatever we can for the country, but we do not know whether we can do better service in the officers' reserve or be of greatest use here. Our uniform answer is for them to hold steady, because if this country goes to war there is hardly a man there that could not render more service to his country by keeping that organization intact than if it is scattered and dispersed. There is a definite proposition for each of these young men in the reserve. All we can say is that probably you will be of more service here. And for that reason I think this question of enrollment is really one of great importance.

Col. BABBITT. Most important; right at the time when we need every bit of energy to keep plants in operation in the proper manner we would have men going out because they were disgruntled or because they wanted to go where they thought they would be needed most, or because their girls at home were giving them the cold shoulder for not volunteering. I have given a great deal of time to this particular thing, and have drawn up a bill so as to
42 get something into concrete form, looking to a sort of industrial reserve. And in this same connection, we were just speaking of the scientific societies. We have an officers' reserve endeavoring to call to its the skilled engineers of the country. I have brought an officer in to handle the subject. What I mean is, we do not so much want the young men. We really want the proficient engineers of greatest experience; men who want to serve and who have had the experience, and instead of being someone we have to assist and train, he will really himself, from his larger experience, be of actual assistance to us. It will take him very little time to get into the harness. In addition, if he joins us and becomes identified with one particular unit of activity, as for example, the Frankfort arsenel or Springfield arsenal, he will become a reserve officer identified with that. He will study its peculiarities, so that the moment he is called in he will know whatever he will be called upon to do. He would know at once just what to do, and there would be no education necessary. At the same time we would be utilizing the kind of talent we need most, and the kind of talent that should not go to the front.

Mr. GIFFORD. Since I have been down here, for the past three months, there has been no one who has objected, on principle, to the industrial reserve. What we need down here is someone who can tell us the solution—how to formulate a practical system. It is comparatively simple under universal training.

Mr. SCOTT. So far as we are proceeding on the assumption that we will have compulsory service.

Col. BABBITT. Do you believe if the Council Board would designate the Bethlehem plant as an industrial plant, ammunition plant, there would be difficulty in getting the employees to enroll?

43 Mr. GIFFORD. Not at all, but it means an arrangement with specific detailed plants, which the Government will use. Now, how can we tell in advance of actual war just what plants we would want?

Col. BABBITT. That is our purpose in having this committee, which is in touch and knows the plants sufficiently well to say which are available. Take Mr. Coffin's plant. I am on the point now of sending one of our best officers out there through that field, to take with him our drawings; because you men can make compressed steel for our gun carriages and axles, and I want a certain number, so that if the gong sounds and we must go into this thing, the men of that place will know just what we need and be able to furnish it. Just now I could not go personally, but I have a very good officer who is well trained on the question.

That is the only field our office has not covered in such a way that I am sure we will get right into the game. But we will need several thousand carriages of different size, and although we know the plants that can handle it, in a general way, the information we can give them has not yet been brought to them. I would probably arrange to have them send foremen or superintendents to our factories at Rock Island. I would send the engine people to the arsenal to see them in operation.

Mr. SCOTT. May I now submit to you this idea? We have no appropriation covering this work, and each is supposed to bear his own expenses. It is therefore necessary that we get for Secretary of our Committee a man who is willing to give his time and willing to spend his money in the work.

(Mr. Scott was thereupon authorized to communicate with Mr. Chester C. Bolton, with a view to obtaining his services as Secretary.)

44 Mr. VAN DERVOORT. The American manufacturers, at least those who have been manufacturing the British product, have had very close relations with the British Inspector General's Department on this side; and in a little chat I had a few days ago with Col. ———, since this Commission was formed, I told him what little I knew of the work that would be expected of these gentlemen, and he became very much interested. He said he felt that Col. Kenyon, who has charge of that department, would be very much interested, and also expressed it as his opinion that that department would be glad to give this Board information; although he said of course he was willing to talk unofficially with you at any time, if he was called into conference it would probably be necessary to get permission from the British Embassy, and I am wondering if that would not be a wise thing to do. Those gentlemen are familiar with the conditions surrounding munition manufacturing in this country. They are familiar with the results that have been obtained from American munitions on the other side. They can immediately tell us whether the eight-inch shells that have been manufactured here, or any of the others, have given universal good service on the other side. They can tell us whether this large percentage of unexploded shells, for example, is a question of improper workmanship, improper design, material, or whatever it may be; and it seems to me as though it would be very

wise if we might be placed in position where we could go to those gentlemen for counsel and help.

Mr. SCOTT. Col. Babbitt, would it be any embarrassment for the departments to ask these gentlemen?

Col. BABBITT. Not at all.

Admiral EARLE. No, indeed.

Mr. SCOTT. Could we ask Mr. Gifford, then, to arrange with the Embassy to get permission.

45 Mr. GIFFORD. May I make the suggestion, in view of analogous cases we have had heretofore, that to continue the unofficial relations with these people would, I believe, work out better. If Mr. Van Dervoort, for instance, continued to meet this gentleman unofficially and ask him questions, he could get a lot of information which it is quite possible an official request would not bring forth.

Mr. VAUCLAIN. I agree with Mr. Gifford. I think so far as communicating with Col. Kenyon or with the other branches of the service represented by Mr. Moyer's office, that unofficially this committee, every member being well known by these gentlemen, could get a great deal of information that probably would not be available by an official inquiry or interview. I think they would gladly give us much more information than they would care to give us if they were permitted to come and be cross-questioned by us. It might create an impression that the Government here might not want to have created.

Mr. GIFFORD. I fear we may possibly close the door for a great deal of valuable information.

Mr. SCOTT. How soon can you gentlemen who are not going to remain in the city take up this work?

Mr. VAUCLAIN. I can begin immediately, so far as I am concerned. I would like to be notified in writing as to just what is expected of me.

Mr. SCOTT. Mr. Gifford will send you such a letter. You will understand, however, it is not possible to closely define it. We can only generalize on the subject, and the committee will have to work out its own salvation within the general limits that have been fixed for it.

Mr. PRATT. I have to go back. But I will get the representatives of the company together and work up what data I can.

Mr. SCOTT. If we have Congress meeting on the 2d and war is declared, this may become a hurry-up job.

46 Mr. GIFFORD. Why could we not get from the Ordnance Departments of the Army and Navy the blueprints, if it is a practicable thing to do, also the specifications, relating to the specific subject which these gentlemen are to take up with the committees, and ship them to them?

Mr. SCOTT. They are too voluminous.

Col. BABBITT. I sent you some of them, the drawings of the gun specifications, ammunition, rifle, and pistol. I have the specifications for the artillery ammunition, but not the drawings, which I hope to have in a short time.

Mr. GIFFORD. Before these committees could act they would have to get from the Ordnance Departments this information. It occurred to me also that the Chairman—and I will help as much as possible—should proceed to get this information in shape and proceed to

act. I am only anxious to get down to detail work as to what we are to do.

Mr. PRATT. I have listened very attentively to what has been said, but I am at a loss to understand what we are to do in many respects. I understand we have now a standing army of a certain number of men. I presume we have adequate arms for that number of men, and a reserve for a certain number. Then the problem which confronts the Government is how are we to supply not only small arms, but machine guns, coast-defense guns, and all the accessories of war, for an army of a million men.

Mr. COFFIN. We will be able to lay before you by the time you get moving on this work a tabulation showing the main requirements of one million men.

Mr. PRATT. Then, if I understand Col. Babbitt correctly, we have designs, broadly speaking, which are adequate and proper for reproduction of practically all the different sizes of guns, ammunition, etc. I am correct, am I not, in my understanding that in a practical way we have designs ready for reproduction?

47 Col. BABBITT. Except, of course, in some of the later types of guns. For example, we have not yet manufactured a 16-inch howitzer on a railway mount. We have designs for that just completed, but, as in most other new construction, we build a type and try it out, because it is hardly desirable to send into the field something that will fail in some minor feature that needs correction.

Mr. PRATT. Those conditions are exceptions which always exist; but what I say is practically correct, is it not?

Col. BABBITT. Yes, sir.

Mr. PRATT. Further, I understand, broadly speaking, those things have already been manufactured in greater or less quantities?

Mr. SCOTT. That is where the point of the whole situation projects—" in greater or less quantities."

Mr. PRATT. They have, presumably, not only drawings for the jigs, fixtures, and gauges, but this equipment exists in certain quantities.

Mr. SCOTT. No; let me correct you there—and if I am not right, Col. Babbitt will correct me. If you are making two batteries of a certain size gun, you do not tool up that as though you were making 500 batteries of that size, and this is where we must come in with our experience.

Col. BABBITT. The quantities have been so small that a limited equipment only has been justified.

Mr. GIFFORD. Very briefly, here is my idea of the problem. The man who is going to look into small arms and ammunition may assume he is about to produce a large quantity for the government and request of the government particular drawings, blueprints, and specifications to enable him to go on with that production. It is his job then to make suggestions.

Mr. PRATT. Please permit me to go on with this. What are we to do? If these designs have been through the test, they should

48 be reproduced, and they have established tolerances already for making them. Now, if we are really trying to equip an army in this country, what we want are schedules of what number

of every single article that goes to make up that equipment that will be required. Not only the additional equipment, but from month to month.

Mr. SCOTT. That is ready now.

Mr. PRATT. If you have these, it seems to me the manufacturers of this country are ready to go ahead with the work at any time. I am willing to do all I can, but I think we are starting at the wrong end.

Mr. SCOTT. Your original outline here is specifications and gauges—jigs and fixtures are incidental, and, of course, apply to the specific plant in which used.

Mr. VAUCLAIN. So far as gauges are concerned, it is only necessary for the government to have master gauges. The working gauges the manufacturer will supply himself, because the number of working gauges that would be required depends upon the volume of manufacture.

Mr. SCOTT. We have them, Mr. Vauclain. We are not so far at sea as it may seem from what Mr. Pratt has said. Mr. Pratt is driving ahead on an idea what is partly right and partly wrong. The Council of National Defense has prepared an entire lay-out for an army of a million men. It may be assumed, if we start with so many guns, say, of three-inch calibre, when you have fired a certain number of rounds you then need not only ammunition but a new gun. When you undertake to arm that force you will find the Government prepared to furnish so many rifles now, so much small-arms ammunition now, and so many bayonets, scabbards, etc., now, and that they are going to require so many more, and that they will want those within a certain time. Your question will then be, according to
49 the article: Have you the drawings ready now for that article, corrected up to the moment; have you more than one set of them, so that, laying aside now the question of gauges, have you drawings you may distribute to half a dozen different concerns, from which those concerns, without previous experience, can manufacture that article? If your answer is "yes", and is the correct answer, that is past. Where the answer is "no", you will probably find it is for the reason stated by Col. Babbitt, that he either has not had enough money or had limitations surrounding the spending of it, or some other reason. Now, the Secretary wants to get that taken care of through this committee.

I think you will find that there are things in which the army or the navy allows such and such tolerances, and you will say that for the quantity you are producing, with the methods you have and with the kind of labor you could get for that quantity, you can do it; but if you want, and as this table shows you will have to have, so many millions within a certain time, you cannot do it with those tolerances. I think on some of those things we can now specify the articles, but it would be better to develop that by observation and experience.

Mr. VAUCLAIN. I do not see how any layman member of this committee could arbitrarily decide on tolerances. It seems to me it would require judgment of a man skilled in gunnery, as to what would be permissible and not interfere with the effectiveness of the ammunition.

Mr. SCOTT. Yes; and you can get that skilled help. You will remember the Secretary stated the object of organizing the committee was to bring into the Departments that kind of expert assistance from the outside. We are merely a means of contact between that expert assistance and the Departments. If we do not have it within our own membership, we will have to invite it in.

50 Mr. PRATT. Suppose the Army said: for this equipment we ought to let a contract for a certain quantity of shells. If those drawings were sent to any member of this Committee it would be perfectly simple. He has access to men who have been working on these things, and they could study them in detail and pass intelligently upon them, pointing out the difficulties and recommending changes which might help the production. This is a very easy thing to do. If they can send to Mr. Vauclain, for instance, a drawing of a gun and say, we will probably want this in certain lots, will you please give them expert attention and see whether you think they are in as good manufacturing condition as possible? Is not that the way it should be done?

Mr. COFFIN. It seems to me there are two main values of this Board. One is, to put it simply, the getting of arguments out of the way now in time of peace, instead of trying to avoid them and having to fight them out in time of war. The other is to get Congressional influence, and the value of getting men who represent big business affairs intimately in touch with the inside conditions down here.

Mr. SCOTT. That is why I wanted you to come here, Mr. Pratt. You have heard them right from the gentlemen who are affected by them, and you are going to go home convinced that somewhere the screw must be loosened, by some means.

Mr. PRATT. The Army has been able, through the last Congress, to get supplementary appropriations which have in a measure adequately taken care of the situation.

Col. BABBITT. The appropriation has been all right, but we cannot get draftsmen.

Mr. PRATT. The Navy is not so fortunate. You have not an emergency appropriation. That is a very unfortunate thing, and
51 I suppose so long as Congress is adjourned there is no means in this broad land to get it, is there, Admiral Earle?

Adm. EARLE. We have an emergency fund under the jurisdiction of the President.

Col. BABBITT. This was not an emergency fund; simply a clause in the Appropriation Bill authorizing us to use a lump sum for our draftsmen.

Mr. VAUCLAIN. I understand this is a standardization committee. We have nothing to do with those things, so far as I can discover. We are simply to assist the Army and Navy to have their specifications and designs in such shape that manufacturers can take hold of them and give quantitative production.

Mr. SCOTT. That is the primary purpose of the committee.

Mr. COFFIN. But let me point out, Mr. Chairman, that this, as it stands, is perhaps the only board of manufacturers representing the business interests of the country that ever came to Washington with direct contact with the government and a direct channel for carrying their story to the President of the United States in such a way

that they can probably get action on any one of several subjects which may be of great importance.

Mr. PRATT. How can we help the situation in which Adm. Earle finds himself? How can we get simply reasonable, decent facilities to furnish his department?

Mr. COFFIN. The Council of National Defense has created this Board to see that so far as possible everything is done to enable the Council to do what it is charged by law to do. The Council is going to take from you any recommendation on any subject which has a bearing on this whole problem, and that recommendation will not only go direct to the Cabinet of the United States but can be carried straight through to Congress.

Mr. PRATT. Let us draw up some definite recommendation.

Mr. SCOTT. Such a recommendation is on the record.[1]

52 it is up to the committee now, after being informed as to just what they are expected to accomplish, to get in touch with the branch of the government that can put it into service and make it do the work it has undertaken to do and be of some use to the government.

Mr. SCOTT. Before we adjourn I want to emphasize what Mr. Vauclain has said. This is the first time in the history of this Government that gentlemen such as we are have been given this opportunity. We are the first group of men that have had this chance in all the years this Government has existed. When the Civil War broke out and they had to have a man to take care of transportation, they sent Tom Scott down from Philadelphia, who was only asked for a little time, but he spent his whole time here. I think we should digest that thought before we go to bed tonight. If we do not make something of it, the responsibility is not on the Government or on the Army or Navy; it will be on us. We have the chance, and the question is, Can we have the vision before us that Mr. Vauclain has given us here, and can we live up to it? If we have that vision and live up to it, we will do something for our Government; and these gentlemen now in office and their successors will be glad that we came here. I am satisfied personally that we will, and we will not do it in any small way. There will be no carping criticism from this Board. Our recommendations will be helpful and constructive. And I believe we ourselves have the nerve and the backing to go through with what we recommend, and that we will stay with it long enough to do it. I am perfectly satisfied this afternoon that we are starting something that will mean a great deal to the United States and to these two self-sacrificing bodies that are represented here, the Army and Navy of the United States.

53 COUNCIL OF NATIONAL DEFENSE,
Washington, April 19, 1917.

Mr. FRANK A. SCOTT,
Chairman Munitions Standards Board,
Washington, D. C.

DEAR MR. SCOTT: Next attached please find minutes of the conference of the manufacturers of detonating fuses held April 18th, 1917. Am sending you a copy of these for your files.

Yours very truly,

MUNITIONS STANDARDS BOARD.
E. A. DEEDS.

EAD–AB.

[1] At this point page missing in original cannot be found in War Department files.

54 CONFERENCE OF THE MANUFACTURERS OF DETONATING FUSES OF THE RUSSIAN TYPE 3 G. T., ROOM 928 MUNSEY BUILDING, WASHINGTON, D. C., APRIL 18, 1917

Present: Representing the Government: Col. S. E. Blunt, Chairman; Col. J. E. Hoffer. Representing the Munitions Standards Board: Wm. H. Vandervort, E. A. Deeds. Representing Fuse Manufacturers: Wagner Electric Company, St. Louis, Mo., W. A. Layman, Pres.; C. B. Lord, Gen. Supt.; Dayton Metal Products Company, Dayton, Ohio, H. E. Talbott, Pres.; Gray & Davis Company, Springfield, Mass., Wm. Gray, Pres.; Davis Sewing Machine Company, Dayton, Ohio, F. T. Huffman, Pres.; J. M. Huffman, Treas.; T. A. Gillespie Company, Lowell, Mass., T. A. Gillespie, Pres.; T. H. Gillespie; Geo. R. Townsend; Geo. De Laval. Other Manufacturers Present: The Dayton Manufacturing Co., Dayton, Ohio, John Kirby, Pres.; The Recording & Computing Machine Co., Dayton, Ohio, C. U. Carpenter, Works Mgr.; The New York Air Brake Company, New York City, W. N. Shaw, Mgr. Ordnance Dept.

The Chairman announced that the meeting had been called for the purpose of finding out what the manufacturers could do in the way of capacity and deliveries and what their views were regarding the cost. He further stated that

55 the Council of National Defense was considering whether payment should be made on a cost plus percentage or at a flat price per detonator. The opinions expressed by the manufacturers, with which all present concurred, were that a flat price was preferable in this case. This conclusion was largely reached because of the fact that large orders for this fuse had been manufactured in the United States by the manufacturers present and on that account accurate costs were available.

At the request of Colonel Blunt and Colonel Hoffer the manufacturers were asked to submit their complete costs under two divisions:

First—cost of material.

Second—all other cost, including labor and overhead, but without profit.

The cost of shipping crates and containers was omitted because the United States requirements in this regard will probably differ materially from those of Russia.

Under the First Division—"Cost of Materials"—the figure arrived at, based upon actual cost from all the plants represented, was fifty-five cents per detonator. The price of steel entering into this cost was 5½ cents per pound for pieces technically designated as V.1, V.2, and V.17, and 8 cents per pound for V.9 and V.10.

Under the Second Division—"Cost of Labor and Overhead"—the figure arrived at based upon the actual cost from all plants represented was $1.41.

The total actual cost of material, labor, and overhead per detonator arrived at was $1.96, based on steel at 5½ cents and 8 cents as above specified.

The Chairman suggested that a ten percent profit be considered sufficient. This would make the cost to the Government, including a munitions tax of 12½ percent on profits, and 2 percent corporation tax, $2.19.

The cost, on a basis of 15 percent profit, which, because of the technical nature of the detonator, was not considered unreasonable, would be $2.30, including munitions and corporation tax as above.

The final price arrived at was $2.25 per detonator, f. o. b. plant of manufacture.

By detonator is here meant the complete detonating fuse ready for loading and exclusive of the caps for the fulminate of mercury, which cap is furnished by the company furnishing the explosive and loading the fuse.

The further provision was made that if the cost of material could be

56 reduced below 55 cents the Government would get a reduction in price equal to the reduction in cost of material.

On the other hand, if the cost of material could not be kept below 55 cents, the manufacturers would be paid a higher price sufficient to cover the increased cost of materials.

Provision was also made so that in case of some extraordinary circumstances arising through legislation or otherwise which would materially affect the cost, the Council of National Defense would be empowered to make whatever adjustments seemed equitable.

The Russian specifications were to be followed in general with the exception of the external threads on the body piece, which were to be changed to United States standard.

At the time of entering into contracts a final specification will be set forth by the Department of Ordnance.

The Government inspection of steel is to be made at the steel mills.

The method of inspection of the detonators will follow in general the plan adopted by the Russian Commission with such modifications as the Department of Ordnance may determine.

The manufacturers were asked to immediately prepare a schedule of materials showing the amount and cost per detonator which goes to make up the 55 cents which was adopted as the basis of cost.

The manufacturers further arranged to have a meeting of their master mechanics in Dayton Saturday morning, April 21st, to prepare a standard set of drawings embodying the latest Russian practice in all details.

The manufacturers were asked to submit proposition to the Ordnance Department, United States Army, for supplying the Russian 3 G. T. detonating fuses under the conditions enumerated above. These proposals were to be submitted in four or five days and were to be accompanied by a statement of the actual sustained output which the manufacturer had maintained covering a period of time.

The manufacturers were also asked to state how soon they could begin deliveries and in what quantities.

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57 MUNITIONS STANDARDS BOARD RESOLUTION ADOPTED FEBRUARY 28, 1917

Whereas in the act for making further and more effectual provision for the national defense, and for other purposes, approved June 3, 1916, Section 120 provides that—

"The Secretary of War shall also make, or cause to be made, a complete list of all privately owned plants in the United States equipped to manufacture arms and ammunitions, or the component parts thereof. He shall obtain full and complete information regarding the kind of arms or ammunition, or of the component parts thereof, manufactured or that can be manufactured by each such plant, the equipment in each plant, and the maximum capacity thereof. He shall also prepare a list of privately owned manufacturing plants in the United States capable of being readily transformed into ammunition factories, where the capacity of the plant is sufficient to warrant transforming such plant or plants into ammunition factories in time of war or when war shall be imminent; and as to all such plants the Secretary of War shall obtain full and complete information as to the equipment of each such plant, *and he shall prepare comprehensive plans for transforming each such plant into an ammunition factory, or a factory in which to manufacture such parts of ammunition as in the opinion of the Secretary of War such plant is best adapted.*"

And Section 123 provides that—

"The Secretary of War be, and he is hereby, authorized to prepare or cause to be prepared, to purchase or otherwise secure, such gauges, dies, jigs, tools, fixtures, and other special aids and appliances, *including specifications and detailed drawings, as may be necessary for the immediate manufacture by the Government and by private manufacturers of arms, ammunition, and special equipment* necessary to arm and equip the land forces likely to be required by the United States in time of war"; and

58 Whereas the sums of $250,000 and $200,000 to carry out the purpose of said Section 123, so far as relates to ammunition and arms, respectively, were appropriated in the Army Appropriation Act for fiscal year ending June 30, 1917; and

Whereas in Senate Document #664, dated January 4, 1917, a report on the "Government Manufacture of Arms, Munitions, and Equipment", prepared in accordance with the provisions of Section 121 of the same Act, by the Board of which Colonel Francis J. Kernan was President, there appears certain findings and recommendations, to wit:

1. It is not desirable that the Government manufacture its arms, munitions, and equipment exclusively.

2. It is not feasible or practicable for it to do so, with any due regard to economy or to preparedness within a reasonable time.

3. It is desirable that the Rock Island Arsenal be enlarged promptly and considerably, especially for the increased production of rifles.

4. It is desirable that modern machinery and appliances be installed in all arsenals where needed.

5. It is desirable to arrange with private industry for a portion of the supply of whatever reserves of arms, munitions, and equipment are determined upon, with due regard to the conversion of their plant to use in such connection in time of war.

6. It is important to take into consideration the location, as well as the organization of plants which are coordinated, with a view both to safety and facilities for distribution.

7. It is important to accumulate at least a year's supply of all raw material which is needed in the manufacture of arms, amunitions, and equipment and is not to be found within continental United States.

8. It is important to accumulate a full supply of drawings and gauges sufficient to enable all coordinated industries to work to full capacity promptly.

9. It is desirable to standardize gauges, jigs, and tools as far as practicable and as soon as practicable.

59 10. It is exceedingly important that skilled and experienced labor, in coordinated industries especially, be enrolled, and in the event of war enlist for work in selected factories.

11. It is important that a comprehensive plan of organization for prompt expansion to full capacity, night and day, both in Government plants and in those of coordinated private industries, be worked out and made ready for immediate use.

12. It is important that the Government establish plants for the assemblage of field-gun ammunition at such points as may be best adapted thereto, with due regard to the safety and facility for distribution.

13. It is exceedingly important that our arsenals equipped for the manufacture of rifles and artillery be put to work at full capacity as early as possible; and

Whereas the specific duties of the Council of National Defense include, in the words of the Act, "to supervise and direct investigation and make recommendations to the President and the heads of Executive Departments as to * * * data as to amounts, location, method, and means of production, and availability of military supplies; the giving of information to producers and manufacturers as to the class of supplies needed by the military and other services of the Government, the requirements relating thereto, and the creation of relations which will render possible in time of need the immediate concentration and utilization of the resources of the Nation"; and

Whereas the Council "may organize subordinate bodies for its assistance in special investigations, either by the employment of experts or by the creation of committees of specially qualified persons to serve without compensation, but to direct the investigation of experts so employed": Therefore be it

60 *Resolved*, That the Advisory Commission of the Council of National Defense strongly endorses the findings and recommendations of the Kernan Board and urges upon the Council that the Council recommend to the Secretary of War that the work referred to in the above quoted portion of the Defense Act of June 3, 1916, be hastened to completion and that the recommendations of the Kernan Board be carried out insofar as possible; and be it further

Resolved, That the Council create a committee of specially qualified persons to serve without compensation whose personnel shall be nominated by the Commission, and appointed by the Council, to investigate and advise in the carrying out of the details of the work above described.

61 FEDERAL TRADE COMMISSION.
Washington, D. C., March 30, 1917—11 A. M.

INFORMAL CONFERENCE WITH MR. FRANK A. SCOTT, CHAIRMAN MUNITIONS STANDARDS BOARD, COUNCIL OF NATIONAL DEFENSE, WASHINGTON, D. C.

Present: Hon. William J. Harris, Chairman, Hon. Will H. Parry, Hon. William B. Colver, Commissioners; Mr. Francis Walker, Mr. T. M. Robertson, Special Examiners; Mr. L. H. Haney, Examiner.

62 Mr. SCOTT. Mr. Chairman, as I am coming from the Council of National Defense, and as I am not a member of the Council, I submit this letter for your record as an indication of their wish that I shall present the question for them.

The CHAIRMAN. Just read that letter, please.

Mr. SCOTT. The letter is addressed to the Chairman:

Hon. WM. J. HARRIS,
Chairman Federal Trade Commission, Washington, D. C.

DEAR SIR: This will introduce Mr. Frank A. Scott, who is chairman of our Munitions Standards Board and closely affiliated with all the work of our office. Mr. Scott will submit our question.

The letter is signed by Mr. W. F. Gifford, the Director.

The CHAIRMAN. Would you like to make any statement, Mr. Colver?

Commissioner COLVER. None at all.

Mr. SCOTT. As I understand, Mr. Chairman and members of the Commission, the Secretary of War had asked the Council of National Defense to recommend to him a method by which the Government may compensate those manufacturers, and others similarly engaged in business, who may be called upon to supply their products to the Government in the event of war, and in the event that the Government adopts the method of placing orders without regard to the competitive system, which prevails in time of peace. Under that competitive system the various contractors submit their bids, and the low bid from a responsible contractor is accepted in all cases. If the Department should be forced by an emergency to place the business without waiting for the submission of bids, it might be necessary for the departments to have authority of law to decide how the contractor, upon whom the business would in such case practically be forced, should be compensated for his work or for his material. I think the question, under the law, would divide itself into two forms: One, in which the contractor—using that as a general term to cover those who might be called upon to supply raw material, or who might be called upon to supply manufactured goods—one, I say, where that contractor would undertake the work upon the mere direction of the department; and two, where the contractor would prefer that the department should take over his plant, as it may do under the law in the event of war, and in the latter case it may be the judgment of this Commission and the judgment of the Council of National Defense that there should be different forms of compensation. One, for the first instance, and one for the second, although, as you gentlemen can readily see, it might be possible to apply the same form of compensation to both instances.

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One feature of the entire situation which has been mentioned at the Council in their preliminary discussion of this, and which no doubt would be a feature appealing especially to the Federal Trade Commission, is the necessity, in the event of a real war, for the nation to conserve its economic resources and avoid the disadjustment of its economic condition to the greatest degree possible and yet meet its military needs. As the Council of National Defense understands the acts of the legislative bodies in England and France, that has been one of the primary thoughts beneath their legislation, and so, as that seems to have been developed by such investigation as has been made, I merely mention it to this Commission.

Another feature, not relating to our economic position, but relating to the position of the War Department and the Navy Department, in this emergency, would be such a form of compensation as would not so distress the contractor as to lead him to

64

prefer not to cooperate, and possibly to force on to the hands of the Departments some plants, with the personnel they would have to control such plants, which would make them workable in the real interests of the Government. In other words, if possible, to arrive at such a conclusion of the whole matter as would protect the country and its interests and at the same time retain the cooperation of those interests which will be most affected by this situation.

I think, Mr. Chairman, that outlines the question, as I have heard it discussed, and the Council are seeking the advice of this Commission, and they are endeavoring to arrive at such recommendation as the Secretary has asked for. If it is your wish, I will remain with you a few minutes. You may wish to question me about what little I know about the question. I believe the statement of the question is my full responsibility.

The CHAIRMAN. Are there any questions anyone would like to ask?

Commissioner COLVER. The expression, "Without bids", also may mean "Without specifications"?

Mr. SCOTT. No. The specifications and the plans of the two Departments would be as perfect as in time of peace. They would be complete for the necessities of the contractor who would be expected to do the work. The competency of the two Departments in presenting their needs to the manufacturing or selling public is beyond question.

Mr. WALKER. I take it that a great deal that is contemplated in the event of war will be based on legislation, according to your understanding of the situation; that is to say, the Departments which would now have to obtain goods under competitive bids, may be relieved of that obligation and be allowed to obtain them otherwise, or, generally, the conditions under which purchases shall be made will be settled by law, so that there will be no question of the legality of the proposed plan. My idea of the situation is this: Are you asking the Commission something that it knows should affect this proposition in normal times, or, are you asking the Commission, as a matter of business advice and counsel, as to the best way to do it?

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Mr. SCOTT. The act of June the 3rd and the Act of August 29th recites the manner in which the Government may act in the event of war in obtaining its necessities, without stating how the Government shall compensate those whose goods and labor, or combined goods and labor—this labor especially—As this question now submitted entirely has to do with combined goods and labor, and not with the services of individuals, without stating how the Government shall compensate those who furnish such combined goods and labor—therefore, this question now relates merely to the method by which the War and Navy Departments shall compensate those who render service to it, in the performance of its contracts under emergencies conditions. The law, however, states in specific terms, and in a definite sentence, that the compensation which the Government shall pay to all those whose plants, services, etc., are thus required shall be fair and just. I think that is almost a verbatim quotation of that sentence from the law. Does that answer the question?

Mr. WALKER. I think so. You are not consulting the Federal Trade Commission with a view to seeing what its attitude would be if certain price arrangements or combinations among contractors in the public interest were had in view of the emergency?

Mr. SCOTT. Oh, No.

Dr. WALKER. You are merely asking questions about a system of carrying out something already provided for by law?

Mr. SCOTT. Yes.

Dr. WALKER. It is a question of business advice; not of legal advice or processes of the Commission eventually in certain circumstances?

Mr. SCOTT. To state the question in a sentence in answer to this, I will say the law says the Government shall in an emergency not wait for its ordinary processes of purchase but shall make its purchases in a hurry-up fashion. The law does not state specifically how the Government shall compensate for those purchases, but it does state in general terms that the compensation shall be fair and just; and now the question submitted is, What compensation, under the circumstances, in the opinion of this Commission and of the Council of National Defense, would be fair and just?

Commissioner COLVER. In other words, you come to ask the assistance of the Commission and its staff to arrive, perhaps, at a formula or a plan which could be applied quickly and which can be disclosed to the manufacturer and other suppliers of material?

Mr. SCOTT. Yes.

Commissioner COLVER (continuing). In such a way that they can have before them the option, with knowledge of what they are choosing, either to make the material without awaiting for bids or to express the choice of turning over their plant. In both cases they would have what could hardly, perhaps, be called a formula, but a method, at least, before them, so they could make election as to whether they would do the work themselves or as to whether they would turn the plant over to the Government or permit the Government to take the plant by refusing to do the work?

Mr. SCOTT. Yes.

Commissioner COLVER. I think it ought to appear to Mr. Scott that the gentlemen called from the various rooms in the building were not informed, and I think when they come into this room the usual attitude or frame of mind is that they are coming to hear presented a question of unfair competition, or something like that, and for that reason the question took the form it did.

Mr. SCOTT. Yes.

Commissioner COLVER. This is a case where all law seems to be waived, except the omnibus law giving the Government the right to arm itself as and how it will, only with compensation; and all matters of antitrust laws and the Clayton Act, and all that sort of thing, is entirely waived aside.

Mr. WALKER. You spoke of a formula; and if I may make a brief statement, perhaps it will develop. For example, supposing the question is, Whether the price shall be fixed at a certain scale, or whether the contractor do the work, or the plant be taken over. Suppose that

five percent on the turn-over is equal, by and large, to ten percent on the investment? Some such formula as that for the different lines of business would be established. Is that your idea, Mr. Commissioner?

Commissioner COLVER. I may have been unfortunate in the use of the word "formula." I presume Mr. Scott can settle that.

Mr. SCOTT. I think the choice of the word is good, because it is a special term, and you have two possible problems. You may divide the problems into the case of the man who makes goods and the man whose plant is used by the Government to make goods. If it could be made in the form of a general rule of uniform application, except possibly to raw materials, it would undoubtedly be the simplest way, and the easiest way to be applied, instead of endeavoring to work out formulae for the various lines of business, because the ramifications are bound to be immense. For example, and as the Doctor has done, I will mention a percentage, without that percentage having any reference to anything in the minds of you gentlemen, or myself, but where we have to name some percentage. Let us say that on the capital used in the production of these goods the manufacturer is to be allowed a return of profit on the basis of 15 percent annually. That corresponds to the way you have stated it.

Dr. WALKER. Or its equivalent on turn-over, as an alternative. If he chose the other method, he could say the average return on turn-over, which would give 15 percent, is what I might figure to add to my cost price?

Mr. SCOTT. As I understand the conduct of our Government in past wars, it has been to respect that provision of the great body of our law, that assures the citizen that his goods shall not be taken without compensation and without due process of law, and if he is damaged, that the measure of his damage shall in due course be recognized by the Government. That presumably has now to enter into this situation in both phases. If the manufacturer, in the ordinary conduct of his business, obtains such and such results, there comes then to be the general question of whether the Government can take away that plant without recognizing that which it is taking from that citizen, and the measure of his damage is what the thing has been worth to him.

The other side of that is, if he has been an exceptionally competent man, whose profits have been exceptionally large, and now the volume of his business is stimulated by a war, then shall he be rewarded on the ordinary peace-time basis of profit, with this enlarged volume of business? In the other countries the answer to that has been "no." There must be some consideration given by the citizen, who accidentally profits from the result of war, to the patriotic fact that he must not profit out of reason by the calamity of his country.

Mr. HANEY. The most difficult problem, however, is one which arises out of the different efficiency of the different manufacturers at the same time.

Mr. SCOTT. That is exactly right, Doctor. That is the most difficult part of it, and where it will work the greatest injustice, because by a method of uniform compensation on the percentage basis the poor

manufacturer is assured the same profit that is given to the most competent in that line of industry. As I understand the English law, they sought to overcome that by allowing 20 percent to an individual who could earn 20 percent, but taking back 80 percent of all over 20 percent. That has a very considerable advantage, if you analyze it, in that it stimulates the competent to become more competent, because he can earn 20 percent over 20 percent by being competent, and if he is poor, he gets his 20 percent anyhow.

Mr. HANEY. Up to 20 percent?

70 Mr. SCOTT. The government assures him 20 percent.

Mr. ROBERTSON. If he earns it.

Mr. SCOTT. And allows him to retain 20 percent, if he earns it, and gives him 20 percent, all over 20 percent, and it takes back 80 percent.

Mr. WALKER. Did they allow 20 percent to everyone?

Mr. SCOTT. They did not have the opportunity to do what we now have offered to do to meet the emergency before it quite arose. Therefore, their body of law is more or less heterogeneous, growing out of the conditions as they develop, and as I gathered from observations of the books that contained the law, which are very complicated—I am not a lawyer and have not stated these laws as you gentlemen or counsel would undoubtedly like me to.

Dr. WALKER. In describing this English situation and practice that entered into the determination of return to the manufacturer, was that independent of any excess-profits tax, or any profit tax?

Mr. SCOTT. My impression is that his cost is figured substantially as ours is here, under our form of taxation on that profit; that the form of costs, including taxes, to be paid are incorporated in that amount, which is deducted before profit is figured.

I might suggest that in the discussions with the Council it was thought that if the form of compensation should take relationship of a certain amount of earnings to cost, that the method of figuring cost had better be the one already prescribed in the return of net profit, because that is now well understood, and there have been interpretations of it, and manufacturers, corporations, and business men generally have operated under it and are familiar with it, and the

71 great body of accountants in this country are entirely familiar with that. It would simplify the problem.

I am sure you gentlemen will understand that in submitting this question I am merely outlining to you the discussion of another body, and that I am not trying to formulate any ideas for this Commission, but I am trying to convey so much of some things that have been discussed elsewhere.

Mr. ROBERTSON. Is it your thought, Mr. Scott, that this Commission shall determine, first, what shall be a fair return to capital, or are you suggesting, Mr. Scott, second, how that return shall be made to capital?

Mr. SCOTT. Those two questions are involved, and you can perhaps not well express an opinion on one without becoming involved in the other.

Mr. ROBERTSON. That was my thought, from your statement, that it is desired, first, to know what will be a fair compensation to a manufacturer; and, second, how this compensation shall be made, whether it shall be made upon a basis of a price determined by his cost return

to him as an operator of his own plant, or whether it shall be on the basis or in the form of rentals for the use of his plant?

Mr. SCOTT. Yes; or whether you would establish a percentage which you would pay to him upon so much, or all of his capital as was involved in his productions for the Government. In the latter case it would make a uniform rule that would apply to both classes.

Commissioner COLVER. It might very well be that one man's plant might be taken over, or at least required to be devoted, even if he had to operate it himself, exclusively to Government work, and if in so doing it would cut down the production that plant had been mak-

72 ing in normal times, in volume and in turn-over, while, on the other hand, a plant might be inordinately speeded up under the Government necessity.

Mr. SCOTT. Yes.

Commissioner COLVER. Now, it is not so much the turn-over that would strike me as it is capital and plant involved, used, except that, of course, the greater the speeding up probably the greater the depreciation factor would be.

Mr. SCOTT. Yes; and the greater would also be the advantage of the Government, as speed now is one of the essentials of the situation; and the Government undertakes to care for the situation which will arise with respect to the protection of labor in the matter of speeding up, so that is not involved in the condition, as I understand it, the Government having already in its relationship to the Council of National Defense with the great body of labor undertaken to see that the humanitarian side is guarded.

Mr. HANEY. Is it your understanding that this Commission could proceed upon the assumption that it would not be necessary, under these circumstances, to allow a special return to the more advantageously equipped and operated producer? Can we take for granted, as it seems to me we should be able to do, personally, that in this time of storm and stress we could make prices to each man on the basis of his costs and allow him a reasonable minimum profit, regardless of whether ordinarily he would make a much larger return? As your proposition is put up to us, I assume we could go ahead under the special conditions I have suggested.

Mr. SCOTT. I do not know the law, Doctor. I do know the military attitude of the Government in the past, and which I think is based on the law, and many decisions, that you cannot take from the citi-

73 zens their property without due process of law, or on any basis that amounts to confiscation; and if you damage him he has the same right of action against the Government that he has against the individual; and I think we are forced to remember that at the same time we are justified in expecting from the citizen who is in a position to help the Government a readiness to make certain sacrifices for his Government.

Mr. HANEY. That is the idea.

Mr. ROBERTSON. I will state a concrete case: One manufacturer who has ordinarily made five or six percent on his capital, and another who has ordinarily made 20 or 25 percent, if it should be determined that, say, 15 percent would be a fair return, it would enable the man who heretofore had made only five or six percent to have

15 percent, and the man who made 20 or 25 percent would be permitted to have only 15 percent?

Mr. SCOTT. Yes.

Mr. HANEY. Your one danger would be that the plants that would be allowed to come into the Government's hands would be the inefficient ones rather than the efficient ones. That question was raised by Mr. Scott at the beginning.

Mr. SCOTT. I raised that question, Doctor, just to point out the possible dangers of the situation, if we differed in our method of compensation between the two classes and made one more advantageous than the other. You may find a drift in that direction, and it might be disadvantageous to the Government if it was forced to take plants that it was not prepared to handle.

Mr. HANEY. That is my idea, and if the price were made without recognition of this difference in efficiency, then those that did drift into the Government's hands would be the poor plants in all cases, probably.

74 Mr. SCOTT. Yes. It seems to me that we have a perfect right, in every sense, to proceed on the doctrine that the American manufacturer and producer will respond to the needs of his Government in this emergency, if our treatment of him is such as to make him feel that it is fair and based on the law which says his compensation will be just and reasonable, and that if we so act as to receive that cooperation which we feel we have a right to expect, the Government will then obtain the maximum from all of those interests which are to be called upon to serve it, and that one feature of our question, and the one which affects me especially as Chairman of the Munitions Standards Board, would be that of cooperation from the men who have the talent and the ability, and are in the strategic places to render us assistance. If we in no way alienate their interests, I feel we have a right to expect from them consideration of their country's needs, and I am certain that we will find in them a warm response in this.

Commissioner COLVER. That each will serve in the measure of his strength, and you think that will come willingly?

Mr. SCOTT. Yes.

Commissioner COLVER. That the more efficient men will be expected to serve more efficiently?

Mr. SCOTT. And, if possible, to extend his efficiency.

Commissioner COLVER. And the least efficient will serve in the measure of his ability?

Mr. SCOTT. Yes; and endeavor to increase his efficiency for the nation's welfare, as well as his own.

Mr. WALKER. You touched on the question of his getting a compensation proportionate to what he was damaged, in one case, or, as I understood it, in another case, in proportion to what he was

75 expected to give. Now, supposing in one line of industry the rate of return on the investment had been rather low for a considerable time and had become characteristic of that line of business, while in another branch of industry it was pretty high, would you say that a certain scale of compensation should be, say, the average results in the past, or would you modify that and introduce the question of average fairness as distinguished from the actual

returns of this industry or that industry in the past, some being unusually low and some extraordinarily high, for example?

Mr. SCOTT. Yes; Doctor.

Mr. WALKER. Take coal, for example. Bituminous coal is supposed to be rather low?

Mr. SCOTT. What came to my mind was hardware; concerns that have been manufacturing what is called "builders' hardware." I am not related to any such concern, but as a mater of general information, I know the percentage of profit has been abnormally low in that business, and that those concerns are largely sufferers from a condition within their own trade that is damaging to them and the entire business interests of the country.

Mr. WALKER. You are speaking of manufacturers of hardware?

Mr. SCOTT. Manufacturers of builders' hardware.

Mr. WALKER. By that you mean doorknobs, hinges, and things like that.

Mr. SCOTT. Yes. I do not think it is a question of the great raw materials, such as coal, iron ore, copper, oil, etc., where you will find a difficulty, because you will undoubtedly, in your wisdom and experience, decide to separate the compensation to producers of raw materials from the compensation which you will pay to the manufacturer, as in one case you are taking the man's principal,

76 and in the other case allowing him a return on certain processes in machinery, labor, etc., which he controls. So, I imagine, as you analyze this question, your Commission will decide to differentiate between those two great classes. Does that appeal to you, Doctor?

Mr. WALKER. It does not go to the question I had in mind.

Mr. SCOTT. You will proceed with your example of coal.

Mr. WALKER. Take hardware.

Mr. SCOTT. Pardon me, I did not mean to be dictatorial, only you had an example of raw material that must be treated separately, as I should suppose, from the manufactured article.

Mr. WALKER. Even among the raw materials you can have coal, on the one hand, and brass and copper on the other, which are probably pretty profitable.

Mr. SCOTT. Yes; but the raw-material question, so far, has been such that it seems to me to answer the problem, in that very many copper men have already offered, and perhaps set an example that might be followed by others, so far as industries permit of such expressions, as to pass to the question of low-earning manufacturing industries and as to high-earning manufacturing industries. I should suppose that would present a case where, under the stimulation of war, and on the basis that might be fixed by the Government, the low-earning industry will temporarily be the beneficiary of the situation and the high industry will temporarily be the sufferer from the situation, and in neither case would the industry nor the Government be responsible for the condition; that would be one of the accidents of the situation.

Mr. WALKER. What I mean is, supposing the Government, considering the relative risk in the two lines of business, puts

77 them on about the same level of compensation, irrespective of

the past average profitableness of the industry—would that be in violation of what you regard as governmental principle of paying them what they had been damaged or lost by reason of the Government arbitrarily taking them over instead of allowing them to conduct their business as heretofore?

Mr. SCOTT. I am not a lawyer; perhaps there is a lawyer in the room.

Commissioner COLVER. I think, myself, we are going into the details, Mr. Chairman, and we are asking Mr. Scott the question he came to ask us. He has come to lay before us a question and asked us to answer it.

Mr. ROBERTSON. As I understand the situation, the manufacturers of this country, and producers generally, the large ones, have already stated what their attitude is, and that they are ready to cooperate with the Government in any reasonable way that may be required.

Mr. SCOTT. Yes; and add right on to that answer to the Doctor's question that the law says your compensation shall be fair and just. I merely, as a lay reader of that, assume that what is fair and just has to have some relation to what the man's equipment was producing for him before the Government took aside his commercial trade and threw that to the winds and made him do something which he did not perhaps want to do if left to himself.

Mr. ROBERTSON. As an example as to what the attitude of these particular large concerns will be with reference to the matter of compensation, you can take the proposition already made by the producers of copper, which proposition is that they will furnish the Government with copper at prices they were receiving before the European war.

Mr. SCOTT. Yes.

78 Mr. ROBERTSON. Which were very low, compared with what they are now.

Mr. SCOTT. Yes.

Mr. ROBERTSON. Now, it seems to me that we will have but little difficulty in determining, and there will be a few questions arising as to the reasonableness of the compensation that is allowed, and I think we will have very few questions with respect to that. All of the larger and more efficient producers will be satisfied with what the Government considers to be reasonable, assuming that the Government will not be penurious.

Mr. SCOTT. Yes; and Mr. Chairman and Mr. Robertson, may I say there, that now I am speaking as Chairman of this Board again, and as one who will be using his energies in the Government interest, necessarily, and should I be related to the forcing of a manufacturer to fill his works up with Government business and thereby set aside for the time being that commercial trade which he has spent his lifetime in acquiring, and which when so set aside necessarily drifts into possession of his competitors, who may not be so required by the Government to devote their plants to the Government service, I would consider that in fixing that man's compensation. I would have to remember that that element of destruction had entered into the situation so that what I compensated him for would not be merely that which he was now performing for the Government, but also for that damage which perhaps the Government was doing to him during this period that his plant was in the Government service.

Mr. ROBERTSON. That seems fair; nothing else, it seems, would be.

79 The CHAIRMAN. Are there any other questions; it goes without saying that this Commission will cooperate in every way possible.

Commissioner PARRY. Don't you think it advisable to ascertain what range of commodities would be affected and what industries would be affected? I wonder if there is a schedule, or if it would, at least in a general way, cover the range of commodities?

Mr. SCOTT. Yes; perhaps I could get you that.

Commissioner PARRY. Then we could make the application of any principle we might.

Mr. SCOTT. I think, Mr. Chairman, I can state to you, in such general terms as you would need for your present purposes, the larger elements, because I am quite familiar with that. I have given many years of study to it and I am quite familiar with the general needs of the army and navy.

If we would have in mind, generally, that war now can be covered by two small words, "Men and metal", and then work outward from those two points, you can always pretty well cover what the need will be. In men, for instance, clothing, bedding, tentage, the articles necessary for the toilet of the soldiers, for his subsistence and his person, such as his knife, fork, meat can, tin cup, and his entrenching tools; his weapons, which involve everything from the cannon of larger size, with its ammunition, down to the automatic pistol, with its ammunition; that introduces chemicals and minerals, such as coal, iron, copper, nickel, all the nitrates, sulphur, and the various forms of chemicals; practically all forms of electrical equipment; practically all forms of food products, but more especially staple products, such as the dried vegetables and meat; all forms of medical supplies and surgical instruments; leather; special forms of hardware, such as saddlery hardware; all forms of motor equipment; railroad

80 and road transportation: all forms of shipping; building material; railroad material of special forms, aside from the normal railroads of the country; and your clothing, of course, includes both wool and cotton, and the manufacture of explosives requiring such quantities of cotton that it becomes one of the most important of all the elements.

Mr. HANEY. Rubber?

Mr. SCOTT. Rubber would be included in the motor equipment, but it is one of the most important single items.

Mr. HANEY. Gasoline?

Mr. WALKER. I suppose sanitary chemicals, etc.?

Mr. SCOTT. Practically all forms of chemicals; medical stores, both as relate to the treatment of the sick and the wounded—well, in a broad, general way, I have no doubt I have omitted as many as I have stated, but ramifying through those general steps you would cover the proposition. These schedules, in general, are immense, because they treat of items such as soldier's underwear, uniform, puttees, belts, hats, and so on. A horse alone carrying a man carries 117 things.

(Thereupon the conference adjourned at 12 o'clock noon.)

Date Due

JUN 13 1957			

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